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Tourism Geography

VALUE CREATION THROUGH ONLINE TRAVEL REVIEWS ON TRIPADVISOR:
CASE OF HOTELS IN HELSINKI

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Tiivistelmä – Referat – Abstract <p>The use of online travel reviews as a part of consumers' tourism planning processes is a growing phenomenon. Consumers' especially use other travelers' reviews while choosing accommodation for their trip. TripAdvisor is one of the largest tourism related websites on Internet and it contains reviews of hotels around the world. In this thesis the ways in which the hotels in Helsinki are using these reviews in their value creation processes, if they are used at all, are analyzed. Also based on theory and the current use of the reviews by the hotels some suggestions are made for the hotels how they possibly could improve their value creation through the consumer reviews on TripAdvisor.</p> <p>The consumer reviews are important for the tourists in their tourism planning, which is one reason why the amount of consumer reviews online has grown. The information on consumer reviews is available for everyone free of charge and using this source of information also by the hotels can be beneficial in their value creation. The hotels cannot stop the creation of consumer reviews, but they can try to manage it and benefit from it.</p> <p>The theory in this thesis consists of the marketing process, where the consumer reviews can be useful for the hotels in different points. The reviews online can be used as information source and as a tool for managing customer relationships and for promotional messages. The use of the reviews in the hotels in Helsinki was researched through quantitative data, which was collected from TripAdvisor, and through qualitative data collected by interviewing hotel representatives.</p> <p>The results of this thesis are that the use of reviews on TripAdvisor by the hotels in Helsinki is still in the middle of its adoption period, meaning that the hotels are using the reviews in some ways in order to create more value but not in all the possible ways of use are yet used in the hotels. The hotels are also on different stages in the adoption, while some hotels have thought more extensively what their actions regarding the reviews is in different aspects, while some hotels have only very minimal actions regarding the reviews. One of the main reasons for the hotels not to imply more measures regarding the reviews in order to create more value is the lack of knowledge and information about the possibilities and ways of how to use the reviews in their benefit.</p>			
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<p>Tiivistelmä – Referat – Abstract</p> <p>Internetissä olevien matkailun kuluttaja-arvosteluiden hyödyntäminen matkailijoiden matkansuunnittelussa on kasvava ilmiö. Kuluttajat käyttävät muiden matkailijoiden kirjoittamia arvosteluja erityisesti valitessaan yöpymispaikkaa matkalleen. TripAdvisor on yksi suurimmista matkailuaiheisista nettisivuista ja sivuilla on arvosteluja hotelleista ympäri maailmaa. Tässä tutkimuksessa selvitettiin, kuinka Helsingin hotellit käyttävät näitä arvosteluja prosesseissaan arvon tuottamiseksi, jos niitä käytetään lainkaan. Myös ehdotuksia esitettiin hotelleille, teorian ja niiden nykykäyttönsä perusteella, miten ne voisivat mahdollisesti kehittää arvon tuotantoaan TripAdvisorin arvosteluiden kautta.</p> <p>Kuluttaja-arvostelut ovat tärkeitä matkailijoille heidän matkansuunnittelussaan, mikä on yksi syy kuluttaja-arvosteluiden määrän kasvuun Internetissä. Kuluttaja-arvostelut ja niiden sisältämä tieto on kaikille avoinna ilmaiseksi ja tämän tiedonlähteen hyödyntäminen hotellien toimesta voi olla hyödyllistä arvon tuotannossa. Hotellit eivät voi estää kuluttaja-arvosteluiden syntymistä, mutta ne voivat yrittää hallita niitä ja hyötyä niistä.</p> <p>Tutkimuksen teoria koostuu markkinoinnin prosessista, jonka eri vaiheissa kuluttaja-arvostelut voivat olla hyödyksi hotelleille. Internetin arvosteluita voidaan käyttää tiedonlähteenä sekä työkaluna asiakassuhteiden hallinnointiin ja markkinointiviestinnässä. Arvosteluiden käyttöä Helsingin hotelleissa tutkittiin kvantitatiivisen aineiston, joka kerättiin TripAdvisorista, sekä kvalitatiivisen aineiston, joka kerättiin haastattelemalla hotellien edustajia, kautta.</p> <p>Tutkimuksen tuloksena on, että TripAdvisorin arvostelujen käyttöönotossa on vielä meneillään omaksumisvaihe, mikä tarkoittaa että hotellit käyttävät arvosteluja hyödyksi joillakin tavoin mutta ei vielä kaikilla mahdollisilla tavoilla. Hotellit ovat myös eri vaiheessa omaksumista, sillä osa hotelleista on ajatellut enemmän toimiaan liittyen arvosteluihin, kun osalla hotelleista on vain hyvin minimaaliset toimet arvosteluiden suhteen. Yksi pääasiallinen syy, miksi hotellit eivät ole ottaneet käyttöön mittavampia toimia arvosteluja kohtaan, on tiedon puute erilaisista tavoista, joilla arvosteluja voitaisiin hyödyntää arvon tuottamisessa.</p>			
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1 INTRODUCTION

The field of tourism has dramatically changed since the development of information and communication technology and the opening of the Internet for the public use in 1995. The information and communication technology enhances the possibilities of communication and information sharing regardless of the geographical distance between the different stakeholders, which increases the resources of available information. Using this more available and vast resource of information, in order to create value in the tourism industry, is the theme of this study.

According to Internet world stats (2013a) there were over two billion Internet users in the world in 2012 and in the same year according to World Tourism Organization there were over a billion international tourists in the world (UNWTO 2013). The process of planning, booking and purchasing tourism products online is getting more and more popular, and with the growing numbers of tourists and Internet users, the markets online are bound to grow even bigger in the future. The tourists have learned to take the advantage of the possibilities that the Internet bring to their tourism planning and one of those possibilities is the use of other tourists' experiences as valuable information in their own planning processes.

On the Internet new services and sites have been developed to help consumers find information that is created by other consumers and that is about tourism products. This information generated by consumers to consumers is called electronic word-of-mouth (Litvin et al. 2008). One of these websites that offer consumer generated information about tourism is TripAdvisor.com, which is a website where tourists may review hotels and restaurants. The reviews are publicly posted on the site so that other tourists can read about the experiences of other tourists and use the information in their tourism planning processes. TripAdvisor is one of the most popular traveling related sites on the Internet with over a 75 million posted reviews (TripAdvisor 2012a), and because it is the most popular travel related review site around the world, it is the website that I have chosen to be the focal point of this study.

There are studies on how consumers use these reviews in their traveling planning. According to Gretzel (2007) the reviews online are especially important when a tourist is looking for accommodation. There are also studies on how these accommodation establishments, hotels, could and should use these reviews to create more value in their business efforts. However, studies on how the hotels actually have adopted these possibilities and what their opinions regarding the public reviews online are, is something that has not been that much researched.

This study focuses on the aspect of the tourism businesses and their possible value creation through the consumer reviews online. My interest in this subject was initially awoken when I took a course which focused on eTourism. On this course I realized what a vast change the Internet has had on the tourism industry and what possibilities it has brought and still is bringing within it. I am especially interested in the effects that the Internet has brought both from a geographers' point of view as well as from the business point of view. The Internet has brought people and information closer together regardless of their geographical location and the possibilities and challenges that this brings to the tourism businesses is in the focal point of my interests and the interest of this study.

The focus on this study is on the consumer reviews that are posted by tourists on TripAdvisor. The businesses that these reviews are affected by, and which are the objects of this study, are hotels located in Helsinki. The reason, for choosing hotels as the focused businesses, is that the reviews online affect the tourists most while choosing accommodation. TripAdvisor also has the most reviews of hotels in one place, so there is a lot of information available for the hotels to use. So hotels already have a lot of reviews online and finding out if these reviews are used by the hotels themselves, is the aim of this study. The reason for choosing Helsinki as the geographical frame for the study is that there is a lot of discussion online about the hotels' actions regarding the reviews on TripAdvisor around the world, especially in large tourism destinations, but whether the use and importance of the reviews have yet affected and in what extent the hotels of a smaller tourism destination in the international scale, is not yet widely known. Helsinki is the main destination for tourists, both national and international, in Finland and there are a lot of hotels located there so it is also in this sense a suitable geographical frame for this study.

The aim of this study is to find out whether the hotels in Helsinki have yet started to use the reviews on TripAdvisor in some way with the goal of generating value to the hotel, and what kind of measures exists regarding the reviews in the hotels. This aim is achieved by first focusing on the previous research and literature, where the importance of why the reviews should be used, is brought up. The literature is also used to construct a theoretical framework for the study, which consists of the ways, according to marketing literature, which the reviews could and should be used, in order to get the maximum value through them by a hotel. After this the image of what the hotel scene in Helsinki looks like on TripAdvisor is painted through quantitative data collected from TripAdvisor, which then gives the context on which the main method used in this study, interviews, are constructed from. The interviews are conducted to selected hotels in Helsinki, which will result in giving answers on how differently the hotels are regarding the reviews and what the reasons to their actions are.

This study is a tentative study, which aim is not to find out any generalized patterns or processes, but to construct an image of the current situation in the hotels regarding measures on TripAdvisor, so that it can be determined if the hotels are clearly lacking the knowledge on how to regard the reviews or if they have embraced the change, perceivable in some parts of the industry, already fully. So it is not my interest to get the image of the use from every hotel in Helsinki, but from selected hotels in a way that the scope in which the reviews are used can be determined.

This study is highly interdisciplinary. My field of study is tourism geography, where geography is the discipline offering the epistemological standpoints. Tourism in itself is not considered a discipline because it lacks a level of theoretical underpinning (Cooper et al. 2008: 5). In this study however the field of tourism is studied not only through geography, but also through economical aspects. This study has a strong base in marketing, maybe even a little too strong for being a master's thesis in tourism geography, because the theoretical framework is largely based on marketing theories. However I justify my research by focusing on what geography actually is. *“Geography puts the understanding of social and physical processes within the context of places”* (Royal geographical society 2013). In this study the processes of tourism businesses are analyzed in the context of the Internet, which is regarded as the place. In chapter 2 I will more extensively explain the

Internet from the geographical perspective which will conclusively justify the topic as one that is based on geographical epistemology and which uses the elements from economical sciences to study the field of tourism.

1.1 Research questions

Here are the exact research questions of this study:

- Have the hotels in Helsinki adopted the use of TripAdvisor in their value generation processes and in what extent?
- In what ways are the reviews on TripAdvisor used to create more value to the hotel?
- In what ways could the hotels' value creation be improved regarding TripAdvisor?

1.2 Terminology

In this thesis I often use the terms *hotel* and *product*. Understanding the meaning of these words is important so I am going to define them shortly. The word hotel is defined in the Oxford dictionary (2012a) as: “*an establishment providing accommodation, meals, and other services for travellers and tourists, by the night*”. There are many subcategories of the hotel concept, for example hostels, inns, motels and B&Bs are all types of hotels when using the definition by the Oxford dictionary. In this study I am going to use the definition to the word *hotel* according to the way that TripAdvisor uses it to categorize lodging establishments. On TripAdvisor the accommodation establishments are divided into hotels, B&Bs and inns, specialty lodging, and vacation rentals (TripAdvisor 2012b). For an establishment to be categorized as a hotel on TripAdvisor it must have:

- A 24 hour front desk
 - Daily housekeeping which is included in the room rate
 - A private bathroom for each unit
 - In establishments where there is a minimum stay requirement, it may not be more than three nights.
- (TripAdvisor 2012b)

This means that for example hostels, which may have dormitories or shared bathrooms are not included into the hotels and hence also not into the sample group of this study.

The word *product* is defined as: “*an article or substance that is manufactured or refined for sale*” (Oxford dictionary 2012b). In this study I refer with the word product not only to a material product but also to service products, which is the product a hotel experience can be called. The product a customer gets in a hotel is not a physical product that one takes with him/her home, but a service product which is experienced in the hotel itself and the experience includes both the material and service aspects of the hotel product.

2 BASIS OF THE THESIS

2.1 The tourism system and the Internet

“Tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes” (UNWTO 2012).

The definition of tourism described above is given by the UN World Tourism Organization. Tourism is a very complex concept, which as a phenomenon is very multidimensional and defining it unambiguously is impossible (Albanese & Boedeker 2002: 15). Tourism is not just people moving outside their own living environment but also interaction between a tourist's home region and the destination region, where the organizations catering for the tourist are the other stakeholder (Vuoristo 2003: 15-18).

The concept of tourism can be further defined according to different attributes, for example the purpose of travel (leisure, business, visiting relatives), the type of trip regarding to destination (international, national) or the duration of the trip (daytrips or overnight). The difference between a traveler, tourist and an excursionist is important to be acknowledged. A traveler is merely a person who travels physically between geographical locations (UNWTO 2012). Tourists and excursionists are both travelers, but the difference is in the duration of the trip. A tourist is a traveler, whose travel includes an overnight stay, when an excursionist travels only during one day without an overnight stay (UNWTO 2012). This thesis focuses on the tourists, because they need a place to stay the night on their travels, which includes them in the clientele of hotels.

Leiper (1979) introduced a model of the tourism system. In his model the basis is constructed of the geographical elements of tourism: a tourist generating region, a tourist destination region and between these are the transit routes (Leiper 1979). This simply means that tourists live in the tourist generating region, their home region, where they travel away from using the transit routes to get to the destination region, where they stay for a limited time before returning. The model has been used also to describe the resources involved in the tourism process (Leiper 1979). This system with the elements of tourists

and the tourism industry, which has been added to the basic system, is illustrated in figure 1 (Leiper 1979). Also the broader elements where the system lies are illustrated.

Leiper (1979) has arranged in figure 1 the elements of tourism into spatial and functional connections. The figure 1 shows the tourist leaving the generating region, traveling through the transit area to the destination region and back. The tourism industry is located in all regions where there are tourists. The tourism industry can be defined to contain all the products and services where a significant amount of the expenditure is made by tourists (UNWTO 2012). All the previous elements are surrounded by the environmental elements such as cultural, political and technological elements (Leiper 1979). Buhalis (2003: 80-82) developed Leiper's model by adding also the supporting industries outside the tourism industry in the destination region. Without these supporting industries the tourism industry could not operate, even though tourists are not their main clients. These supporting industries include for example infrastructure, telecommunication, legislations, hospitals, and police (Buhalis 2003: 82).

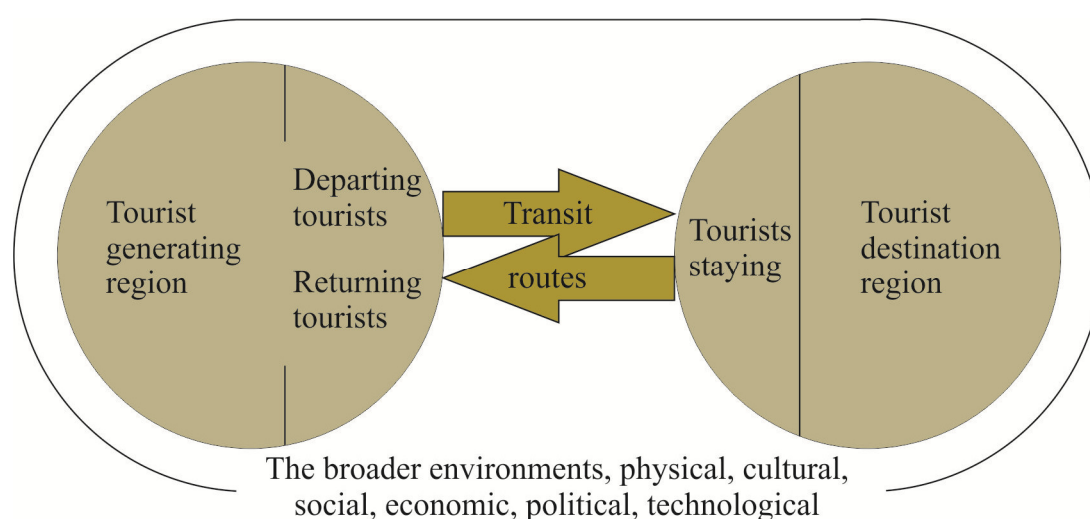


FIGURE 1. Tourism system model (Leiper 1979).

Leiper's model can be further developed to be a basis also for information flows and links between the different elements. Leiper (1979) acknowledged the possibilities of the model's use in marketing planning, as a help in identifying spatial and functional links between different elements. In this thesis the focus is on the information flows used and generated by tourists themselves and also capitalized on by the tourism organizations, for

example the hotels. The information flows considered in this thesis however, do not need to travel through the transit routes in order for it to reach the tourist in the tourist generating region or the destination's tourism organizations; it can be accessed in all the regions including the transit areas simultaneously. This means that in Leiper's tourism system a new layer needs to be added, the Internet, which acts as an info-space. This new space makes possible the phenomenon of eTourism.

2.1.1 eTourism

eTourism is a concept that has become essential in almost all aspects of tourism. Defining this concept is important, because review sites, like TripAdvisor, are links in the eTourism concept. In this chapter I will define the concepts of eTourism and web 2.0, and link the subject of this thesis to the right place within these concepts.

The development of information and communication technologies (ICT) has dramatically changed the field of tourism, both on the supply and demand aspects. ICT has made eTourism possible. Some researchers have even talked about a paradigm-shift that has occurred in the tourism industry because of the adoption of ICT and the Internet in the industry (Buhalis et al. 1997; Buhalis & Law 2008, Buhalis & Jun 2011). This paradigm-shift refer to the digitalization of all processes and value chains in the tourism, travel, hospitality and catering industries, which is called eTourism (Buhalis 2003: 76-78).

The concept of eTourism brings together three concepts: business management, information systems and management, and tourism (Buhalis 2003: 76-78). Figure 2 presents these three concepts by Buhalis. The business and tourism dimensions have been related in their processes before the ICT; where business processes, like marketing, management, commerce and planning, have affected the whole tourism industry from transportation to hospitality and heritage sights. In eTourism the ICT and the Internet is brought into this equation. ICT moves business processes to the Internet giving businesses better tools to gather and process and communicate information, which are key operations in the tourism industry (Buhalis 1998).

Not only does the ICT affect the business processes, it also gives new tools for the consumers. ICT gives consumers the power to identify, customize and purchase products

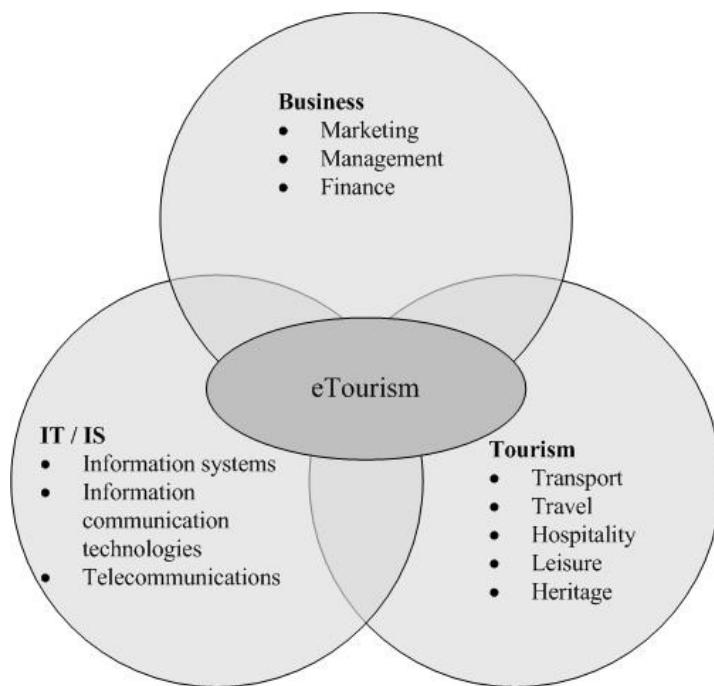


FIGURE 2. The eTourism concept (Buhalis 2003: 77).

with access to worldwide offerings (Buhalis & O'Connor 2005). Through the tourism system model by Leiper (1979) the ICT creates an info-space inside the system where all the tourism organizations and the tourism industry as well as the tourist can operate (Buhalis 2003: 80-82). Information is the life-blood for tourism (Sheldon 1997 cit. Buhalis 2003: 80-82), which means that ICT creating an info-space where information flows are dramatically increased is really creating a paradigm shift in tourism both in the views of the tourism organizations as the tourists themselves.

The significance of the eTourism is huge both to the supply and demand aspects of tourism. eTourism benefits the tourism businesses for example by increasing their internal efficiency by managing reservations or product inventory easily via the help of ICT in real-time (Buhalis & Jun 2011). eTourism has also revolutionized the relationships between all stakeholders in tourism (Buhalis 2003). Via intranets, extranets and Internet companies can share and gather information within the company and between different organizations and with the consumers regardless of the physical locations of the stakeholders involved (Buhalis & Jun 2011). This means that the organizations can get information and share it more effectively than before the ICT, which can increase the value of their processes. Visually this can be shown with the help of Leiper's tourism system model, where the info-

space is a space, which can be accessed of any point in the system, assuming the needed devices are available, and any point of the info-space can be accessed, assuming that the stakeholder trying to access the information has the right to access it (Figure 3). The info-space has also its own space for different topics, which means that the tourism industry has its own space, which consists of all the tourism related content on Internet. The Leiper's model has now a level, where geographical location is no more an issue for information flows.

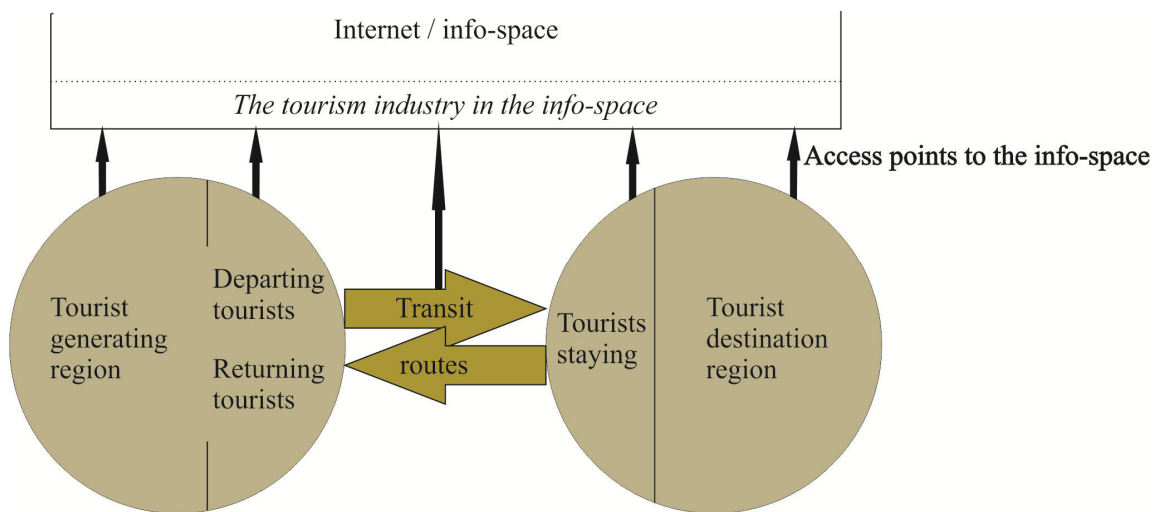


FIGURE 3. Tourism system model with the info-space (modified Leiper 1979).

The tourism system by Leiper and the changes that the Internet has brought binds the basis of this study strongly into the discipline of geography. Next I am going to focus on the tourists in way that the importance of the reviews in the tourists' tourism planning process can be understood. First the traditional decision making process is introduced and then the changes that the ICT and Internet has had on the process is analyzed through literature.

2.2 The tourist decision making process

The tourist experience, which is defined by Burton (1995: 66-68) to be the result of enjoyment of all the tourist industries services combined, begins in the tourist generating region. The steps for planning and purchasing a tourism product, which are parts of the experience, are analyzed next so that the elements of a consumer's need for information and the sources of the used information can be understood.

The decision making process in buying a product or service in general, for example while buying groceries from the nearby supermarket, are somewhat the same as when buying a tourism product, like when choosing accommodation. The steps included in a consumer decision making process are shown in figure 4. All decision making processes are different and all the steps do not necessarily always occur.

The step most relevant to this study is the information search. I am focusing on the information search in relation to the information needed in choosing a hotel on a trip. The information search basically means that the consumer is finding ways to satisfy the recognized need (Kumra 2007: 281). Here the information search is conducted in hopes of satisfying the need of a place to stay the night while on the trip. Also the post-purchase step is related to the topic of consumer reviews, in a way that the writing of consumer reviews by the tourists is made in this step. This however is not a crucial factor in this study, so the reasons why consumers write reviews is not further discussed.

The type of and elements in a product a tourist needs in order to satisfy his/her need for accommodation varies depending on the tourist's individual characteristics. Different tourists want different things; one may want a quite hotel, when another wants a hotel room for as little money as possible. The attributes of the hotel are different, but the type of information needed to make a decision is not that different. Actually there can be said to be only two types of main information a tourist almost certainly needs in order to be able to



FIGURE 4. The consumer decision making process (Kumra 2007: 280-294; Cooper et al. 2008: 55-56; Kotler et al. 2010: 164).

make a decision: these are: 1. information about the existing alternatives in order to be able to recognize the alternatives and 2. information about different alternatives' attributes in order to be able to see differences between the alternatives and choosing the one most suitable to satisfy the need (Kumra 2007: 281-285).

The reason why different people choose different hotels arise from the consumer behavior, where differences arises from attitudes, perceptions, images and motivations (Cooper et al. 2008: 43). These elements of behavior are not crucial regarding the subject of this thesis, so they are not further examined, but it is important to understand that differences in needs come from these attributes, which are also influenced by many different forces in the environment that the consumer lives in and is affected by.

Information about the different alternatives can be obtained from many different sources, through many different media or ways of communication. The information originated from a hospitality company's marketing measures can be communicated to tourists through different channels. These channels are shown in figure 5, which shows the communication marketing mix of a hospitality company. Through these channels the company can ensure that the possible customers are made aware of the company's offerings (Bowie & Buttle 2011: 233).



FIGURE 5. The hospitality communication mix (Bowie & Buttle 2011: 240).

Knowing about the differences between different alternatives by received information originated from a hospitality company's own marketing measures through commercial sources is often though not enough. Tourism and accommodation are service products, which have elements that influence the decision making process and may trigger a need for higher amount of information before the decision can be made by the consumer. Services, like accommodation, are intangible in their nature, which means that they cannot be easily fully evaluated or demonstrated before the purchase (Cooper et al. 2008: 520-523). A tourism product is produced and consumed at the same time, which means that there is no way of knowing exactly what one is getting, before actually experiencing the product (Cooper et al. 2008: 520-523). This means that the information search by a tourist is done to enhance the quality of the trip by evaluating different alternatives to find the one best suited for oneself, but also to decrease the level of uncertainty linked to service products, which tourism products most often are (Fodness & Murray 1997).

The characteristics of services being intangible and inseparable bring to the mix also a risk-factor when buying a service. In tourism and accommodation the risk may be perceived quite high for different reasons. The economical risk is perceived higher in expensive purchases, which tourism products like hotel rooms, often are (Cooper et al. 2008: 523-524, Bowie & Buttle 2011: 71-73). The performance risk is a risk always present in tourism. The performance risk is generated from the possibility that the product, the hotel, might not be delivering the desired benefits, and gaining the desired benefits from somewhere else would often mean that the consumer would have to make a new trip, which often is impossible (Cooper et al. 2008: 523-524). Tourism products are often also high-involvement products, which mean that they are personally significant and relevant to the consumer (Bowie & Buttle 2011: 71-73). Traveling, especially for leisure purposes, is often a high-involvement purchase because it is not something purchased every day and it may include months or even years of saving money and planning, which means that a trip gone wrong is hard to be replaced with a new successful one at least within a short period of time.

Overcoming the doubts of the perceived risks is important for the consumer in order for him/her to be able to make a decision to buy the product. Information about the product is a key element in convincing the consumer to believe the risks to be small enough.

Promotional information generated by the company offering the product is one part of the information, but a more effective channel in overcoming the risks is word-of-mouth information generated by friends (Cooper et al. 2008: 523-524). Word-of-mouth information is more effective than information received through advertising, because it is perceived more credible (Kotler et al. 2010: 166). Often the information gathered from other sources, like advertisements, is confirmed from other consumers, which adds to the credibility factor, especially in intangible products (Kotler et al. 2010: 166).

The word-of-mouth information is information coming from the family, friends and people who a person interacts with socially and who make up the reference group of the consumer (Middleton & Clarke 2001: 77). These people in a person's reference group tend to influence one's behavior in a large manner (Middleton & Clarke 2001: 77). The most central influence, referring to the subject of this study, is the informational influence received from reference groups, which a person uses as useful pieces of information (Kumra 2007: 218-219). The unique difference between word-of-mouth information and other information sources is that "*word-of-mouth is the only promotion method that is of consumers, by consumers, for consumers*" (Kotler et al. 2010: 166).

The importance of the word-of-mouth information in a consumer's decision making process is influenced by many things, like the personality of the tourist and external environmental factors, like the society. The word-of-mouth information coming from reference groups can be more influential in a decision making process of a tourist than all the other information sources' influence combined (Middleton & Clarke 2001: 77). This means that all the information given out through the communication channels that are available for a company (figure 5) only come up to about half the influence power a consumer needs in order to make a decision, while the other half comes from the reference group.

After the needed information is gathered by the consumer, he/she forms expectations about the service (Bowie & Buttle 2011: 74-75). These expectations are beliefs that the consumer takes with oneself and against which one will compare the perceptions one gets while and after consuming the service (Bowie & Buttle 2011: 74-75). The result of the comparison is a certain stage of satisfaction of the needs. The stage may be positive or negative depending on the results of the comparison. This means that the experience is constructed

of three stages: anticipation (before the trip), consumption (during the trip) and memory (after the trip) (Ricci 2006), and all these stages are vital parts in the experience and the creation of satisfaction.

Understanding the stages of satisfaction and their importance is important, because these affect not only the tourist him-/herself but may also affect another consumer's information search and decision making process. Satisfaction occurs when needs and expectations are met in the service experience (Kumra 2007: 290-292). When however the experience has not reached the expectations dissatisfaction and disappointment will occur (Kumra 2007: 290-292). Because the stage of satisfaction depends on the consumer's expectations, the point where the expectations will be met differs between different tourists. There are many attributes that affect the way different consumers see the level of satisfaction being met, but they are not relevant to this study. The relevant thing here is to understand the possible reaction of a consumer whose expectations have or have not been met and their influence in another tourist's decision making, expectations and level of satisfaction.

A tourist who is dissatisfied with the experience in a hotel may do one or more of the following actions:

- Take no actions
- Complain to the company
- Complain to an association created for the purpose
- Tell other consumers of their negative experiences

(Kumra 2007: 292-293)

The action relevant to this study is the one, where a consumer tells other consumers of his/hers negative experiences. This information given from one consumer to another is a result of the tourist's expectations, which were formed based on a compilation of information where one part may have been other consumers' experiences, which then have been compared with the actual experience creating the level of satisfaction that was communicated to the other consumer. This creates a chain in the information flow, which is illustrated in figure 6.

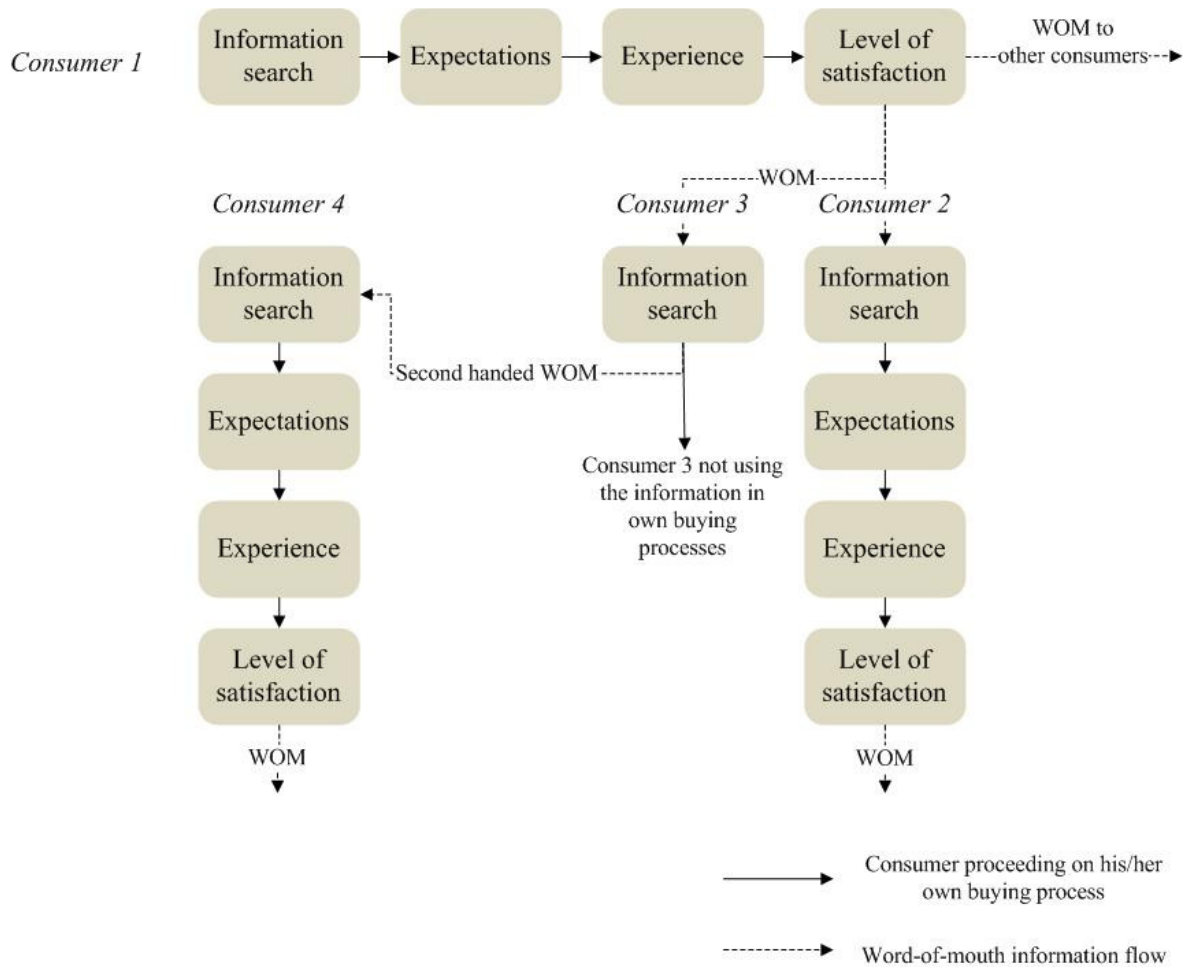


FIGURE 6. Word-of-mouth information moving from one consumer to others.

As in figure 6 is illustrated, the satisfaction level of one consumer may affect the information that other consumers receive in the form of word-of-mouth, which may be both negative and positive. The WOM information may also be second-handed as in figure 6, where the WOM distributed by consumer 1, who has created the information based on his/her experience, is received by consumer 3 who however do not need the information because he/she is not planning to buy the product, but instead passes the information on to consumer 4 who uses it. This chain illustrated in figure 6 is important to be realized because it brings well out the source where the information of word-of-mouth actually generates from and how it may move from one consumer to others.

Now that the consumer decision making process and the idea of how word-of-mouth information is created and how it affects the decision making process are introduced, I am next going to add a new element to the mix, which changes many of the dynamics in the

power of word-of-mouth. The new element added to the mix is the information and communication technology (ICT) including the Internet.

2.3 ICT and the consumer decision making process

Now that the decision making process and the information needed by the consumer to make a purchase decision have been examined I will add a new element to this mix, the Internet. Internet has changed many aspects of the tourist's decision making process and especially the information search and word-of-mouth information.

2.3.1 Changing dynamics: web 2.0 and electronic word-of-mouth

The ICT and Internet has not only had huge impacts on the tourism businesses but also on the tourists. Tourists have been able to more easily plan their trips by using information available on the Internet, book their trips through different online booking services faster and more conveniently than before the Internet (Buhalis 2003: 121-122). In the midst of the topic of this study the most important effects of the Internet to the tourists' behavior is linked to the information needed by the tourist. The process of decision making and purchasing of a tourist product analyzed previously do not change, but the information sources and the amount and variety of information available for the tourist grows significantly with the Internet access.

The Internet is not just a space where information can be added to and gathered from by different stakeholders, but it has also enabled new platforms of communication (Litvin et al. 2008). Without going too deeply into the Internet's structure and dynamics, it is important to understand the move from Internet just being a space for information into a platform of communication. This new platform or idea that makes possible the platform is called web 2.0.

Web 2.0 is a concept introduced by O'Reilly (2005) and it refers to second-generation of services based on the Internet. Turban et al. (2010: 55-56) open the concept further to include “- *services that let people collaborate and share information online in new ways, such as social networking sites, wikis, communication tools, and folksonomies*”. Wikis are blogs that are open for anyone to post, delete or change content (Turban et al. 2010: 762). Folksonomy is a user-generated taxonomy which is collaboratively creating tags and

categorizing content (Turban et al. 2010: 116). The concept of web 2.0 means that there is more collaboration between different users in the Internet (Turban et al. 2010: 427), not just separate actions of someone posting information online and someone else reading it; in web 2.0 the different stakeholders may communicate and even co-create the information. O'Reilly (2005) has given examples on how in web 2.0 there has been a move away from personal websites to blogging, from publishing to participation and from content management systems to wikis. For example this means that while the information in a traditional website is only managed by the administrator of the site, on wikis everyone can participate in creating and managing the content instead of just being in the role of a passive reader or information receiver.

In the tourism planning process the Internet and web 2.0 creates new possibilities. *"Tourists' planning on the Internet can be viewed as the interaction between users and the online space, the part of the Web related to the tourism industry and to destinations"* (Pan & Fesenmaier 2006). This is exactly what Leiper's (1979) tourism system model supplemented with the info-space of Internet (figure 3) is about. Same as the tourist generating region and the destination region have places for the tourism industry and the supporting industries and other elements, also the info-space have places for tourism and also places for other interests. These places on the Internet can be in any form, websites, blogs, pictures, discussion which are about tourism.

Web 2.0 has opened new doors to consumers to get and distribute information about products to help in decision making processes of purchasing products. The possibility to communicate in real-time and get always up-to-date information not only from the organizations but from other consumers has changed the dynamics of commerce also in tourism. Social media, which are the platforms and tools for people to share information and media with others (Turban et al. 2010: 759), has made it possible for the consumers to widen the availability of information that is generated by consumers themselves. When this information is voiced in an unedited and honest form it is called consumer-generated content or user-generated content (UGC) (Gretzel 2006; Cox et al. 2008).

As discussed before, word-of-mouth information is very important in a consumer's decision making process and even more so in service products like tourism services. The Internet and web 2.0 widens the possibility to get this information not just from friends,

family and/or other people one collaborates with face-to-face, but from people who have had experiences of the product, who necessarily one would never meet face-to-face. From here is raised the concept of electronic word-of-mouth (eWOM). Electronic word-of-mouth is defined by Litvin et al. (2008) “*as all informal communications directed at consumers through Internet-based technology related to the usage or characteristics of particular goods and services, or their sellers.*” User-generated content is a part of the eWOM concept, where the information created by users to other users about products is both user-generated and distributed through the Internet, hence being both UGC and eWOM.

eWOM can be received from different types of Internet media, the information may be directed directly from one person to another, for example via e-mail or the information may be posted by one or many people to a website or review site where the information may be received by numerous people (Litvin et al, 2008). In this study I am focusing on the information posted and distributed through review sites, which TripAdvisor is an example of, and where many different people can generate information that is then read by multiple people. Reviews on a review site also serve as recommendations not just as information sources (Lee et al. 2008).

Review sites have many benefits. The difference between traditional word-of-mouth information and recommendations received face-to-face against electronic word-of-mouth on review sites is that review sites may contain both negative and positive reviews in the same place while they are originating from many different sources, different consumers (Chatterjee 2001). On review sites there are reviews posted by many different people portraying a wide array of opinions in one place, whilst receiving an opinion face-to-face from a person the listener gets only one opinion, either negative or positive, from that source. eWOM has also the benefit that it can be accessed, linked and searched in the online space, where traditional WOM does not possess these possibilities (Litvin et al. 2008).

Reviews of products are important in the decision making process much in the same reasons as the traditional word-of-mouth discussed earlier. Reviews from other consumers are perceived as more reliable than the information provided by marketers (Smith et al. 2005). The reviews of products on Internet review sites also give the advantage of

measurability. Reviews collected into a same place gives the consumer an easy way to compare the negative reviews against the positive ones, when in traditional WOM comparing may be difficult especially in tourism products where people who have experienced the product may be very few or none in the consumer's reference group, hence limiting the accessible sources of WOM. eWOM will change the structure of travel information, the accessibility of the information gets better and through the higher amount of information travelers' knowledge and perceptions of travel products will also change (Litvin et al. 2008).

Now the changes and benefits that eTourism and especially eWOM includes to the tourists' decision making process has been established. Next I am going to look more closely in the essence of the travel review site TripAdvisor and into the reasons why and ways of how consumers actually use these reviews.

2.4 The use of online review sites by tourists: the case of TripAdvisor

Looking more closely into the essence and structure of review sites, like TripAdvisor, it needs to be understood the different types of sites that the Internet may hold. The sites on the Internet may be divided into two groups: the official and the unofficial. The official sites are sites which are selling something concerning the destination (Inversini & Cantoni 2011). These sites can be seen to favor the destination or a product, because they are trying to get sales and revenue of consumers visiting their sites (Inversini & Cantoni 2011). For example sites where you can book your hotel, whether it is the hotel's own websites or some other intermediary site, is a site that is essentially trying to give out information in order to convince one to buy the product and hence they are regarded as official sites. Also sites that do not themselves have a booking or buying feature, but have the interest to get a consumer to buy a certain company's product are included to this category.

The unofficial websites include sites which contain user-generated content, which hence also includes review sites (Inversini & Cantoni 2011). The unofficial sites are not controlled by the destination or the company that the website's content are about. Hotels or other tourism providers cannot manage the content on unofficial review sites where the main content, the reviews, are made by consumers, giving them an objective stance. Hence unofficial sites are more likely to contain also information that might be convincing not to

buy a specific product or book a specific hotel, while official sites are about convincing to make the sale (Inversini & Cantoni 2011). Review sites have reviews of different products and companies, which means that they are unofficial sites. If a hotel for example have reviews of their product on their own websites, the sites are still official, because there are only reviews of their own hotel and their reason in that context is to get the sale for themselves.

The function of how review sites work is analyzed through the case of TripAdvisor.com. TripAdvisor is seen as the most popular travel site in the world (TripAdvisor 2012a). Though it is not only a review site where travelers can search and post reviews, it is also a place where they may plan their whole trip, except actually purchasing or booking it (TripAdvisor 2012a). On TripAdvisor a consumer may review any hotel, restaurant or attraction regardless of whether it already is listed on the site or not. Establishments themselves cannot refuse to be reviewed, which gives the power to the consumers. There are over 610 000 hotels around the world already listed on TripAdvisor, giving the site a wide coverage of information (TripAdvisor 2012c).

How do consumers then use the reviews on TripAdvisor and why is it so popular among travelers? Previously we established that WOM and eWOM are useful tools in a traveler's decision making process; now I am focusing on the actual information that tourists are looking for on review sites like TripAdvisor and on how they are using this information. The actual impact of user-generated-content sites on a travelers' behavior and decision making process is not much researched and hence not completely clear (Cox et al. 2008). Some studies have however been made that are trying to shed some light on the importance of travel reviews, and through those studies I am trying to open up the issue.

Travel is the largest industry in e-commerce (Compete Inc 2006), which in itself tells already that eTourism is no trifling matter. According to Compete Inc (2006) in United States alone there were 50 million consumers planning their trip on the Internet every month at the time of the publishing of their article in 2006. According to Forrester (2006 cit. Gretzel & Yoo 2008) about 70 percent of adults use product reviews and more than 80 percent of people who shop online use other consumers' reviews in their decision making processes. Also a study by EyeforTravel (2007) comes to the same result with travelers buying trips online, of which 79.1 percent have used reviews in online travel buying. It can

be expected that the number of people using the reviews in the future will grow, while the usage of the Internet is still growing rapidly. In 2009 25 percent of the world's population used the Internet and in 2012 the amount was already 34 percent which is over 2 billion people (Internet world stats 2013b). In Europe the amount of visitors to sites in the travel category in general was 44 percent of the European internet audience in 2011 which is 365.3 million people (ComScore 2011).

Aside from the statistics that show that there are more and more potential consumers who use and search information on the Internet both in general and in tourism, there is a key factor to be found when talking about tourism in comparison to products in general. This is the fact that consumers rely on and seek more of other consumers' reviews when they are buying high-involvement products (Park et al. 2007). This means that in tourism the amount of online review readers, or at least the potential in needing the type of information, may be higher than on other goods. So it can be said, that even though there are no current and specific statistics available on how many people actually use the reviews while planning their trip, it is clear that the amount can be expected to grow in the near future quite rapidly and remain high also in the future.

But when do the consumers use the reviews then and of what products are they especially looking information about in tourism? In a survey by Gretzel & Yoo (2008) the behavior of TripAdvisor users were studied in order to determine how the reviews were being used and to what purpose. 96.4 percent of the respondents in the study use the Internet when planning a pleasure trip, while only 68.3 percent use travel books and only about third use magazines (35.6%) or brochures (33.9%) as a part of their planning process (Gretzel 2007; Gretzel & Yoo 2008). 95 percent of the respondents use the Internet always or often when planning a trip, but more importantly of those who use the Internet in their planning 90 percent use material that is posted by other consumers. From the sample of TripAdvisor users almost all have read consumer reviews (97.7%), but over half of those (57.8%) use reviews every time they plan a pleasure trip and 26.1 percent read them very often (Gretzel & Yoo 2008). This indicates that the use of Internet is bigger than the uses of other media in travel planning, and also that if a consumer uses reviews he/she is likely to use them very often or always when planning a trip.

According to a survey by Compete Inc (2006) 24 percent of their survey respondents, who were consisted of auto and travel buyers who had visited a blog, review site, message board or online community, have actually changed their mind about a travel related purchase when influenced by user-generated content. But what is more interesting, is that 71 percent of people who have been influenced by the UGC think it is credible, when only 35 percent of the same consumers think the brands are credible (Compete Inc 2006). This means that consumers do not just read the reviews to find additional information of a place they have already chosen to go to, but the reviews can actually impact on decision making by for example excluding alternatives because they have had bad reviews, even though based on the commercial information those could have been worthy alternatives. So based on the literature it can be said that the reviews actually have an effect on consumers which may be a relatively effective one.

The most popular sites to find travelers' reviews are from virtual community sites, in which Gretzel (2007) includes TripAdvisor. Only 27.9 percent of TripAdvisor users look for reviews from companies' own websites against the 92.3 percent who look them up from virtual community sites (Gretzel & Yoo 2008). This means that even though a hotel or other tourism organization would give the opportunity to review their products on their own websites, the major information search directed to finding consumer reviews is directed to review sites like TripAdvisor. Maybe the possibility to easily compare different hotels is important, which on the companies' own websites is not possible while they do not contain reviews of their competition.

The most value travelers seem to get from the reviews is while choosing a place to accommodate themselves. 77.9 percent of respondents in Gretzel and Yoo's (2008) research said that the reviews are extremely or very important while choosing a place to stay. As is shown in figure 7, the use of reviews is extremely or very important to double more people while looking for accommodation than while choosing a place to eat or while planning on what to do. Also on the study by Inversini & Cantoni (2011), which analyzed the information market in tourism on unofficial websites, it was found that in gathering information about accommodation the review sites play a bigger role than for example when finding information about the destination or attractions, where traditional websites or

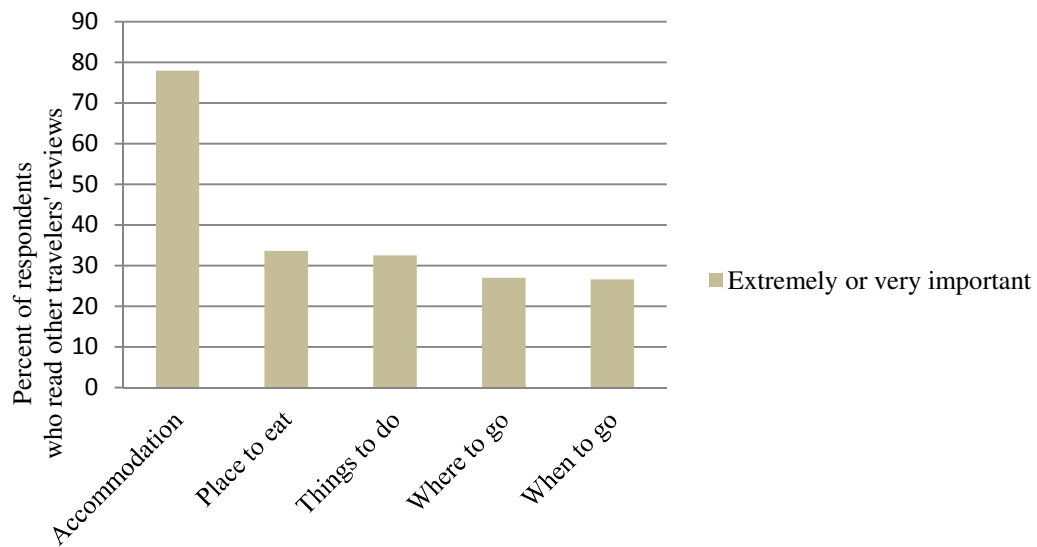


FIGURE 7. Importance of travel reviews for travel-related decisions (Gretzel 2007).

media sharing is more important. So it is clear that review sites have an especially high importance in the accommodation sector.

The reasons why reviews are so important parts in the decision making processes of a tourist lie in the different qualities of the reviews and how they are perceived. The reviews are often perceived to contain *better information*, at least on certain aspects, than the information the travel service providers themselves provide. In Figure 8 is seen that travelers seem to think that reviews are more likely to contain more up-to-date, enjoyable, reliable, detailed and relevant information than the information given by the service provider (Gretzel 2007). Also Inversini & Buhalis (2009) found that web 2.0 websites, like review sites, have more relevance and are more current in their information, while in contrast official sites may possess more authority and objectivity. A study by Smith et al. (2005) also found that consumers engaged in online decision making tend to clearly prefer peer recommendations over other types of input, such as sponsored ads, while peer recommendations are perceived more trustworthy.

As noted before the word-of-mouth information may be as influential or more in a decision making process than all the other information sources combined (Middleton & Clarke 2001: 77), which can be applied to the word-of-mouth information gathered from review sites in comparison to the information gathered from organizations own websites. But there are also differences between the different review sites' influences on consumers. The

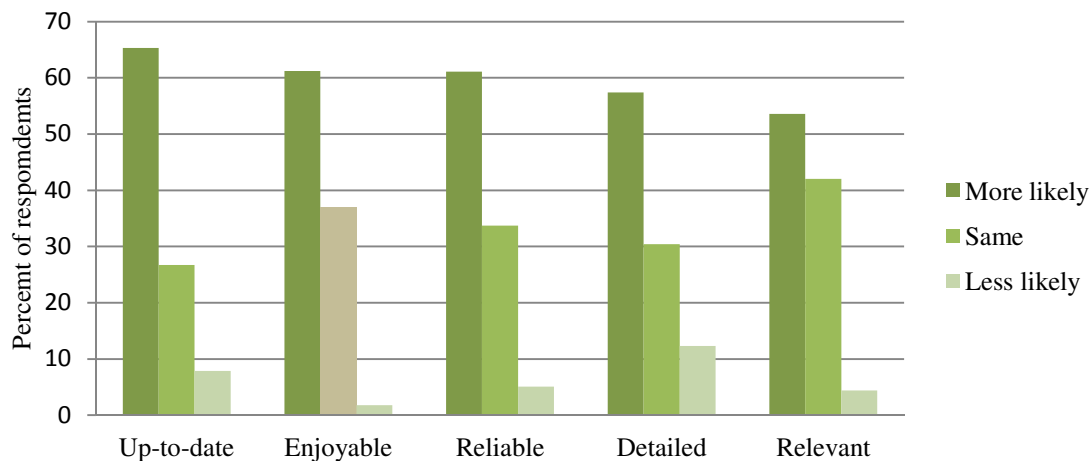


FIGURE 8. Information on other travelers' reviews in contrast to information from travel service providers (Gretzel 2007).

perceived trustworthiness of a review site may vary between different sites and this means that also the influence of the reviews on a tourist's decision may be different on different sites. First of all the quantity of reviews on a site communicates more trust than only a few reviews (EyeforTravel 2007). This means that a site that can get more reviews is more trustworthy in consumers' minds and a site like TripAdvisor, which is very popular and has collected many reviews, should in this light be seen more trustworthy.

Honest reviews are also a key factor on review sites and on reviews while the issue of perceived trust is at hand (EyeforTravel 2007). TripAdvisor as a site may, and probably does, have some dishonest reviews, but because it is so popular dishonest reviews may more easily "*disappear in the mass*" which means that the larger number of honest reviews diminishes the effects of a dishonest one. Also TripAdvisor has measures in place to monitor the reviews and delete dishonest reviews whenever spotted. Travelers also value both positive and negative reviews, so simply complaint sites where consumers may post complaints in this light should not be as tempting as the sites with both positive and negative reviews.

The information from the review sites, even with all its pros, is however on its own not sufficient for a consumer to reach a decision; the official websites and other sources do still play an important role. For example price and availability are key factors in a decision making process and it is information only official sources may communicate reliably and factually. As seen in figure 8 more than 40 percent of the respondents in Gretzel's study

think that the information on review sites and on travel providers' sites is both as relevant, meaning that they are both needed to gather sufficient information for a decision making.

In summary it can be notified that in tourism the Internet and the review sites are considerable factors in tourism planning and decision making. Especially in choosing a place to stay the review sites are important and widely used among tourists planning their trips on the Internet. Review sites are also important in contrast to reviews on other sources like tourism organizations' own websites, while the sheer volume of reviews in one place play a role and users also trust more in reviews that are on unbiased sites.

Now that the use of reviews by travelers, which explains the importance of the reviews to the tourists, has been explained, I am next going to lay out the theoretical framework for this study. The theoretical framework focuses on the issues that the hotel managers should be aware of and the possibilities that the reviews on the Internet brings to the hotel marketing and management processes.

3 THEORETICAL FRAMEWORK

In this chapter I will lay out the theoretical framework for this study. The framework will lay out the ways that the reviews could in theory be used by the hotels in the most valuable way. I am first introducing the traditional process of marketing and then adding the possibilities for increased value through the use of TripAdvisor in different ways in different stages in the marketing process of a hotel.

3.1 What is marketing?

There are many definitions for marketing because one definition cannot grasp the complex essence of the issue (Cooper et al. 2008: 513-514). But in its simplest marketing can be defined to be the process which goal is to achieve voluntary exchanges between two parties, which are the customers and the producers of the product (Middleton & Clarke 2001: 19-20). In marketing key issues related to these two parties lie in the understanding of the needs and behavior of consumers and in choosing a product to be offered and in deciding how it is done by the producer (Middleton & Clarke 2001: 19-20). This might seem a simple thing but in truth marketing may be very complex and need a lot of planning and researching. So marketing is not just about making a product and selling it, it is about understanding the consumer and the market through which value can be created to the customer and gained by the producer.

Middleton and Clarke (2001: 23-24) say that marketing should be understanding of the needs and wants of the consumers so that those can be responded to in a way that makes sense also business-wise. What is identified in many of the existing marketing definitions is that marketing is a process, where marketing channels connect the organization with the market and where research and analysis are vital elements (Cooper et al. 2008: 513-514). So marketing is not trying to sell a product to everyone or anyone no matter what; there is understanding of the consumer and the product behind all actions. Also communication between the producer and the consumer are vital parts of the marketing process.

The marketing process can be analyzed by dividing it into five different steps. In figure 9 are shown these five steps of the marketing process by Kotler et al. (2010: 11).

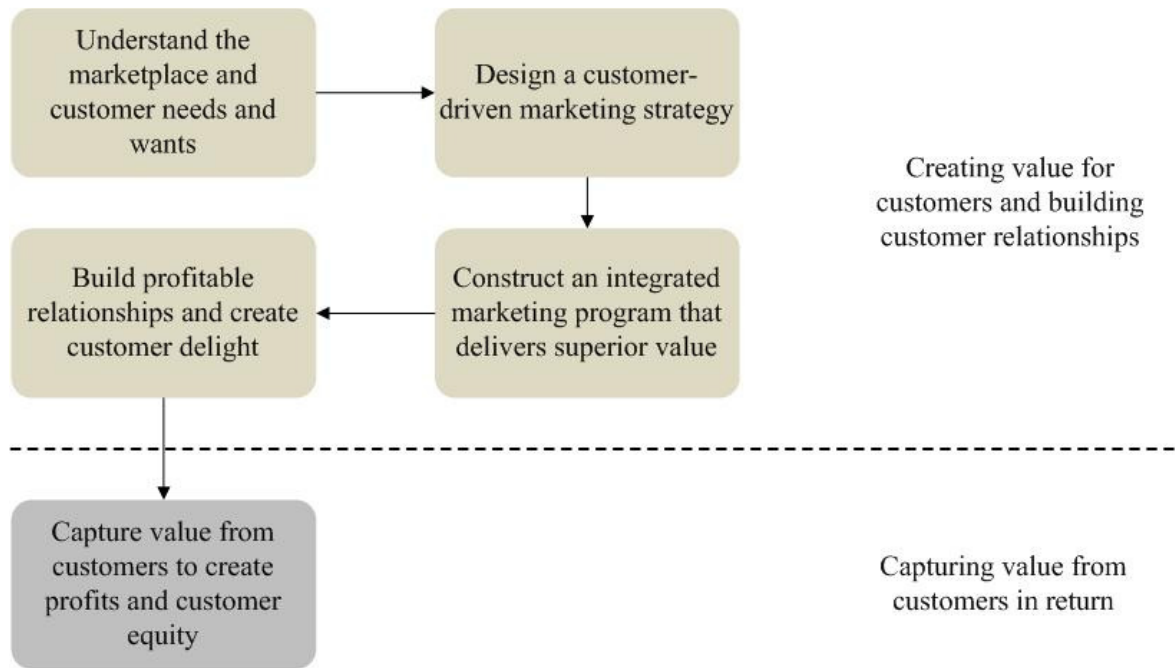


FIGURE 9. The marketing process (Kotler et al. 2010: 11).

In the marketing process eWOM including consumer reviews can have two distinctive roles in which they may contribute in the value creation in significant ways. First is the use of reviews as an informational way and the second is the use in revenue generating manner (Litvin et al. 2008). The informational role of consumer reviews is linked closely to the first step of the marketing process, while the purpose is to harvest the information from the reviews which then may be used in the following steps of the process for example by “- - enhancing visitor satisfaction through product improvement, solving visitor problems, discovering what visitors say—good and bad—about their experiences, analyzing competitive strategies, and monitoring company reputation/image” (Litvin et al. 2008). The revenue generation through the consumer reviews posted online is linked to the third and fourth steps of the marketing process, where the measures by the company management is more directed towards managing the consumer touch point, by for example having efforts to spread good WOM and managing bad WOM (Litvin et al. 2008).

Next I am going to analyze more closely the possibilities that the reviews have in contributing in the marketing process in the two different ways. First the first step of the marketing process is introduced and the informational aspect of the reviews is analyzed. Then the possibilities to generate revenue through the reviews by managing the consumer touch point are analyzed in more detail.

3.2 Hotel marketing and consumer reviews on TripAdvisor

3.2.1 The value of information in the marketing process

The first step of the marketing process by Kotler et al. (2010: 11), understanding the marketplace and the needs and wants of customers, contain gathering all the possible information of customers and of the markets in which the company is operating at. Without this knowledge the company cannot possibly know what the customers need or want, making it impossible to create or shape their offerings into the desired mold. Offering customers a product that they do not need or want is foolish, while even if a product would function in a way it is supposed to and does what it is designed to do if it does not satisfy a need it is vain and no one will buy it.

After understanding the needs and wants of the consumer, the expectations that consumers have towards a product needs also be noticed (Kotler et al. 2010: 13-14). The formation and impacts of expectations of a consumer were discussed in chapter 2, where it was established that expectations are formed based on the available information of the product and that expectations are a big part of the experience. This is why it is important to the producer to understand the expectations that their customers are having about their products, and one part of the understanding is to be aware of the information that plays a part in the generation of those expectations. If the producer does not understand the expectations that consumers are having, it might end up in consumers with too low expectations, which may lead to lost customers, or too high expectations, which leads to unsatisfied customers (Kotler et al. 2010: 13-14).

A second thing the producer needs to be aware of in marketing, regarding the product and the consumer, is the value that the consumer gets from the product (Kotler et al. 2010: 13-14). Customer value means the difference between the benefits a customer gets and the costs, which may also be nonmonetary, of using the product (Kotler et al. 2010: 13-14). A product producer should know what the costs are for the consumer and what the benefits are. If there are too many costs or they are the wrong kind of costs and if the value is not good enough to overcome these costs, a consumer will not buy the product. Understanding the value gives the producer a possibility to diminish the costs and increase or highlight the benefits.

The first step of the marketing process includes not only the information of the product in relation to the consumers but also to the in relation to the market. Jha (2010: 9-10) has defined the marketing process as a continuing circle of marketing in which one part is analyzing the competition. Understanding the competition is although only one part of the market where a product is offered. The whole essence of the market should be understood, which means understanding the whole environment, which may include understanding things like the policies, culture or society that the company is operating at and that the product is offered at.

The first step of the marketing process is all about understanding, which can be attained through market research. What market research actually is can be defined through the word research. It is defined by McGivern (2009: 4) as follows: “*Research is about enquiry; it is about systematic observation or investigation to find things out.*” Market research then is finding things out about the market. The purpose of market research in the marketing process is to inform and improve the decision making of managers by reducing uncertainty (Bowie & Buttle 2011: 44-45). Market research is, or at least should be, the basis for all decision making, while it is the process through which information can be obtained.

The information sources from where the useful information may be gathered are both internal and external (Bowie & Buttle 2011: 44-49). Internal information are from within the company itself, for example hotels often have data of their customers which they have received from the customer transactions directly; and external information is collected from other sources than the company itself, like the Internet or from studies generated by other organizations (Bowie & Buttle 2011: 49-51). The research can also be conducted with primary data, which is data that has not existed prior to the data collection of the research at hand, or secondary data, which is data that already exists because it was collected for a purpose other than the research at hand (McGivern 2009: 49).

Now that the content of the first step of the marketing process has been analyzed, it can be looked more deeply into the contribution that the consumer reviews on TripAdvisor may have to the market research and information base of a hotel. First I am going to evaluate the types of UGC data that there are available on TripAdvisor and then I am going to analyze the benefits of this data to a hotel.

3.2.2 TripAdvisor as an information source for hotels

Qualitative information

The main qualitative data available for hotels on TripAdvisor are of course the consumer reviews. The written reviews contain information about actual clients' experiences containing both negative and positive experiences and also suggestions to other tourists and also some may include suggestions to the hotels themselves on how to improve their product. TripAdvisor is not just a complaint site but also positive reviews are welcome, which means that the information also contains the information about the things that are working or that the hotel is doing right and which may possibly be especially appreciated by the customers. Actually TripAdvisor states that most of the reviews are positive rather than negative (TripAdvisor 2012d).

TripAdvisor is to the hotel managers an external information source with secondary data. The data's original purpose is to give other consumers information about the product, but it can be used by others too. The reviews given by consumers are public for everyone and they are kept on the page forever unless they violate some policy of the website (TripAdvisor 2012e). This means that there may be reviews from years back making it possible to see, both by the hotels and the consumers, if the issues mentioned in reviews have changed over the years. Information on official websites are often kept up to date in a fashion that the old information is completely deleted or hidden from readers, hiding the possible time layers.

The information about what the hotel is doing well and what is not working gives the hotel clues about their previous customers and their level of satisfaction with the product and the experience. So the reviews give information about the products and the consumers past relationships. The data on TripAdvisor as secondary and external data is valuable, because the information is actually about the hotel and its actual past customers' experiences. Many other secondary and external information sources, like governmental statistics, commercial research organizations, newspapers, books (McGivern 2009: 138-141), are more general information for example about the market or the environment that the product is offered at. The information on TripAdvisor is there also without any extra costs to the hotels.

The reviews contain only first hand information from consumers who have actually experienced the product; TripAdvisor do not allow reviews that are second-handed or that

are just general discussion about an establishment (TripAdvisor 2012f). This ensures that the information is on point and as factual as possible. The reviews, because the month of the visit needs to be announced by the reviewer, are also about one experience. So if a traveler has visited the establishment many times the reviews should be separate. This means that the information can be more easily used by the hotels, while they are given the time-dimension in which the tourist experience has happened. A review which has no information of when the visit has happened is of little value, because the managers cannot know if the issues are possibly still relevant or not and it is harder to pinpoint the actual problems and causes of the problems without a timeframe.

Monitoring the level of clients' satisfaction levels is important because it gives clues if the product is delivering what it is expected to deliver. Measuring and monitoring the level of satisfaction is not done by any industry-wide standard approach, so every company may do it in their own way (Bowie & Buttle 2011: 360-362). Traditional ways to collect information about the satisfaction level is by:

- collecting customer complaints
- post-encounter surveys
- surveys to key account customers and frequent guests
- employee surveys
- focus groups of customers and employees
- mystery shopping

(Bowie & Buttle 2011: 360-362).

All these measures gives information from people experiencing the product or witnessing the product being experienced, but these measures also require active resources to plan how the information is to be collected. Creating the surveys or interviews and persuading the consumers to participate, managing and filing the results, and finally analyzing them takes time and resources. The reviews on TripAdvisor are mostly spontaneously given by the consumers so the hotel managers only need to collect and analyze the information from the site. The information is free of charge and spontaneously updated, as in contrast to other external information from commercial researches which may be subject to a charge and the deal may include only results of one research without any updates.

A limitation of a comment card given to a customer to fill in the hotel is also the previously assigned questions the hotel wants the customer to answer and even though there might be open space for additional comments, many may not have the motivation to go through the trouble of telling the hotel what the hotel could improve on. But warning other consumers may just be the motivation a consumer needs in order to tell about these things. While writing a review a consumer has the freedom to write about any aspects of the hotel. An example of where consumers had no motivation to complain of a product to the producer was introduced by Gogoi (2007), where consumers were not complaining about a fishing related product to the product producer because it was so cheap, even though it performed very badly. But online the product became the producers' most hated product because even though it was cheap there was enough motivation in warning other consumers of the product even when the motivation to go back to the store and complain was not high enough that the consumers would have done that. This could happen in the hotel business, if there were a small or relatively insignificant feature in the service that consumers do not like, they might not tell it straight to the hotel, but it may be raised up in a review online, where also the small things are easy to be brought up. The consumers who are not willing to fill in a comment card may still have the motivation to write a review, while the motivations behind the writing a review may not be related to motivations of filling in a comment card or of telling the hotel employee the complaint directly.

The types of information possible to get from travelers' reviews are two-fold. Lee et al. (2008) found in their study that in general there are two ways a consumer's review may be perceived information-wise: high-quality and low-quality. High-quality reviews are more persuasive, while the information is relevant in evaluating the product and reliable and sufficient for reasoning (Lee et al. 2008). Low-quality reviews are on the other hand insufficient in their reasoning (Lee et al. 2008). This means that based on a high-quality review one can reason out the things that are good or bad about the product, but a low-quality review might only tell that the product is good and worth buying, or bad and is not recommended, but does not tell the reader why and which aspects are good and which bad. Below there are examples of a high-quality review and a low-quality review from the study by Lee et al. (2008), where the differences of the different types of reviews are clearly perceivable:

High-quality

“This product has very limited battery life. It didn’t come with an AC power source. It also has no hold button, which means I have to take out the batteries when I’m not listening. Sometimes, it makes a really high pitched buzz in the earphones.”

Low-quality

“I got this product four weeks ago. I purchased it for my son for our trip to Disney. He loved it but after one week, he didn’t play with it anymore. Hmmm. . . This product is not what he wants. Mistake! I shouldn’t have chosen it.”

In the high-quality review the reader now knows that the battery life is limited, there is no AC power source and no hold button and that it makes a buzzing noise. So if any of these elements are vital to the consumer thinking about buying the product, he/she instantly knows the product is not for him/her. From the low-quality review the reader gets a lot of information irrelevant for one’s own decision making process, only possibly relevant thing is that the reviewer regrets his/her decision, but why the kid does not play with the product anymore or what aspects he did not like about it remains a mystery.

TripAdvisor do not tell reviewers what to put in their reviews exactly, so there may be both high- and low-quality reviews present. The high-quality reviews are those that the readers, both consumers and hotel representatives, can get most value of. High-quality reviews will tell more detailed where and what the problems with the product or service might have been and also what was done well and how. Through these reviews also hotel representatives know what and if something needs their attention. If there are only low-quality reviews telling them that things are not well, they will not know the specific points of problem or whether these problems are possible to be resolved. Although if there are only low-quality reviews of a hotel and they are telling that the product is bad, the hotel should get value from the information and try to push to find out what the problems actually are and why their product is not liked, so the low-quality reviews should not be ignored by the hotel however.

The issues that are most covered on the reviews are those that consumers see as the center of a hotel experience. A study by O’Connor (2010) found that the most discussed issues in reviews on TripAdvisor are the *hotel location, the room size, service and staff, cleanliness*

and *comfort of the hotel* and the *quality of breakfast*. Also a study by Chaves et al. (2012) found that in reviews the most frequent concepts mentioned by reviewers are the *room*, *staff* and *location*. In a study of simply complaints Lee & Hu (2004) show that in complaints about a hotel experience the most used keywords are *room*, *staff* and *service*. These studies show that the issues mentioned most frequently are the key components of a hotel experience, which the hotel most likely should also get the most information about in order to be able to succeed in these issues and correct possible flaws fast. Of course other issues may also get attention in consumers' reviews depending on the hotels performance, but these studies show that the reviews actually contain information about the central things of a hotel product and which are clearly important to the consumers.

The qualitative information available on TripAdvisor may give hotel representatives a lot of valuable information that otherwise would be hard, or at least harder in terms of effort and resources, to come by. Consumers write the reviews while keeping in mind other travelers, so the information is often aimed to help them and tells also the hotel managers the things consumers think are central in a hotel product. This kind of qualitative information generated by the actual clients of the hotel and mostly spontaneously is a great source of information, while the only other way of receiving this information would be if the customer told these things directly to the hotel. This could for example be done by comment cards or by asking while check-out, but then the motivation of the information sharing by the consumer may affect the information while it is not aimed to other consumers but the hotel.

Quantitative information

In addition to written reviews by consumers TripAdvisor also includes a possibility for travelers to review accommodation properties by rating them. Accommodation establishments may be rated according to how well the reviewer has liked the overall experience on a scale from 1-5, where one is "*terrible*" and five is "*excellent*" (TripAdvisor 2012g). Travelers may also rate individual aspects, which are usually included to an accommodation experience of a hotel, like location of the establishment, rooms, cleanliness or service (TripAdvisor 2012h), which are all also key aspect that the consumers write about in their written reviews. These quantitative measures give an easy way of comparing different accommodation establishments and also give an easy

inclination if one or many aspects of a hotel continuously get bad or especially good ratings, which can then be looked more closely into by the hotel.

The establishments are also displayed on TripAdvisor according to their popularity. TripAdvisor has not revealed the whole formula of how the popularity is measured, but the consumer ratings are one part of it (O'Connor 2008). The popularity of a hotel is seen when a consumer searches hotels of a certain destination, in the results of the search the hotels are displayed in the order of their popularity, where first are shown those establishments with the highest popularity index in a descending order. This can give the hotel managers an easy way to get a general idea where their establishment is positioned in the destination's hotel market. This kind of comparison would be very difficult to get in other ways of researching. A hotel which is on the number one spot need also not necessarily be the most expensive five stars hotel, it only needs to have satisfied customers, which usually are obtained by communicating right kind of information, so that the consumers have the right expectations which are met with a satisfying product.

Competition

The free and for everyone and anyone available information on the Internet has brought with it a new possibility to gather information not just about the consumers opinions about one's own hotel but about the competitors too. The power has shifted to the consumer with the revolution of the Internet, while they can more easily give away information to a lot of people without geographical boundaries. Before the Internet it was difficult for a company to get a lot of information about consumers' feelings about their competition. Now that information is available for everyone on the Internet and is distributed spontaneously by the consumers TripAdvisor gives the hotel managers the possibility to follow what the consumers think about the competing establishments. The hotels may look for inclinations on what the competition may be doing well and what not. Actually the hotel managers can get the same information from TripAdvisor about their competition as of their own establishments.

Information about the competition is a vital part of the information concerning the market that the hotel is operating at. The easiest way to follow the competition on TripAdvisor is by following the popularity ranking of the hotels in their destination. If a hotel climbs quickly many spots higher or drops lower it may be beneficial to find clues from the

reviews why this has happened. This information can then be used by the managers of the hotel in efforts to enhance their own product by trying to avoid the mistakes the competition may have done or by trying to use some possibly beneficial measures that the competition has implemented.

As in the marketing process by Kotler et al. (2010: 11) as in the circle of marketing by Jha (2010: 9) information is the basis. The processes are also not single events. The environment changes constantly which changes the information, which should affect all the following steps of the process. The marketing process is hence something that should be gone through partly or entirely after certain time has passed. Without information there cannot be successful and extensive marketing, and in thorough information search the growing amount of consumer reviews online should play a role and the information should also end up in some actions the hotel can do on TripAdvisor. These actions related to the following steps of the marketing process are analyzed in more detail next.

3.2.3 TripAdvisor a manageable consumer touch point

After the information is gathered and understanding of the market and the consumer is obtained, it needs to be decided through the gathered information what the direction of the offering will be. The marketing strategy, created in the second stage of the marketing process, should give the marketer a guideline to *“find, attract, keep and grow target customers by creating, delivering and communicating superior customer value”* (Kotler et al. 2010: 16). Through the marketing strategy the issues which the company wants to focus on, is pointed out, in which the information from reviews should also have a role in. In the marketing strategy the company decides for example the target consumers and also the philosophy in which the value is to be created (Kotler et al. 2010: 15).

Through the third stage of the marketing process, the integrated marketing plan, the marketing strategy is actually carried out. The strategy tells what needs to be done and the integrated plan tells how it will be done in practice (Kotler et. al. 2010: 20). The marketing plan consists of the marketing mix (figure 10) of the company, which are the tools which the value will be delivered to the customer with (Kotler et al. 2010: 20). The marketing mix consists of tools which are the product, price, place and promotion (figure 10). These

tools are used in different ways to get where the strategy wants the company to go. First the product needs to be created to satisfy a need; then a price needs to be set and it needs to be decided how the product will be available to the consumers (place); and finally communicating with the target customers telling them about the product is needed (Kotler et al. 2010: 20).

Customer relationship management (CRM) is a vital part of a hospitality business these days. CRM contains the maximization of customer loyalty by managing all customer touch points, which include all the points where a customer encounters the brand or product (Kotler et al. 2010: 22-23). The purpose of CRM is to build bonds between the consumer and the organization (Buhalis 1998). This means that CRM is the key feature in the fourth step of the marketing process, which consists of profitable relationships and of creating customer delight.

The managing of the reviews in a revenue generation manner is linked in the marketing process into the third stage, where the reviews and the listing of a hotel on TripAdvisor can be used as a promotional tool and into the fourth stage where it may be used as a CRM tool, where TripAdvisor acts as a customer touch point. The management of these things on TripAdvisor means of course that the hotels must have a tool in which they can create content themselves to their hotel listing on TripAdvisor.



FIGURE 10. Marketing mix (Kotler et al. 2010: 20).

The tools for the listed hotels themselves to create content on TripAdvisor is limited; they have a possibility to add information about the facilities of their establishments, write a small description, inform the minimum and maximum price of a room and add a photo, and then they also have the possibility to respond to the consumer's reviews that they have received (TripAdvisor 2012i). This means that they have no possibilities to edit or remove consumer's written reviews or ratings by themselves. Also contact information is prohibited unless the hotel has bought the right to add contact information (TripAdvisor 2013a). Despite the limitations that the hotel managers have in their possibilities to add information about their hotel and creating other content, the tools TripAdvisor have given should be used as well as possible in order to manage the touch point and in order to use the promotional possibilities as fully as possible.

TripAdvisor and CRM

First I am focusing on the CRM aspect of the reviews. In customer relationship management it is important to manage all the touch points between the consumer and the brand (Kotler et al. 2010: 22-23). Even though through TripAdvisor a hotel cannot know who exactly has written a review, it still is a channel to nurture relationships. Reading the reviews is one part of the touch point management, but the only actual tool the hotels can use on TripAdvisor in order that the travelers know that the hotel has read their reviews, is responding to the reviews. I was not able to find any previous research on the subject of how the reviewers themselves react to the responses by the hotels and are the responses expected by them, but there are studies that show the possible benefits of responding and nurturing of the previous customer relationships.

TripAdvisor and other review sites are places where former clients leave their mark so that the hotels as well as other travelers see that they have consumed the product of a certain hotel. Former customers are usually a vital part of a hotels target markets, while old customers are cheaper to keep than it is to recruit new ones. According to a study by Forum Corp. it is about 20 percent cheaper to retain an old customer than acquiring a new one (Sellers 1989). So in this light having a connection to the consumer, even though if it is only by responding to their review, can be beneficial.

According to Zeithaml et al. (2000: 15-16) responsiveness is a key dimension in e-service quality and because of that also Mattila & Mount (2003) note in their study that not

responding to guest complaints and ignoring the customer will possibly lead to poor satisfaction and low level of repurchase intentions. Even though Mattila & Mount talk about consumer complaints directed and sent directly to the hotel, which also means that the consumer most likely expects a reply in those cases, their thoughts can be transferred to the issue of reviews. If ignoring the consumer may lead to negative outcomes, answering, even if it is not expected by the consumer, should through this thought process lead to more positive outcomes or at least help avoid negative ones.

The responses themselves may then have real effects on the reviewers. According to studies a dissatisfied customer can be turned into a satisfied one, even if there has been a failure in the service delivery, by giving a proper response to the customer's complaint (Bitner et al. 1990). This means that in cases where the review on TripAdvisor is negative, and where the problems have not been in other ways brought to the hotels attention before the posting of the review on TripAdvisor by the traveler, the last, and in this case the only, chance to respond and make the traveler more satisfied and possibly make them return is by responding on TripAdvisor.

From my own experience as a traveler, who has posted reviews of hotels on TripAdvisor, it does have an effect if the hotel takes the time to respond and explain why the problems may have occurred during the consumption of the product. For example I did not complain about a room in a hotel while I visited because the only problem was that it was a bit out-dated. This however did affect my review on TripAdvisor negatively and my opinion of the hotel, and I probably would have chosen another hotel next time because of these reasons. Though after the hotel's response on TripAdvisor, where they explained that some of the rooms are not yet renovated, but all the rooms will be soon, my opinion changed in a way that I could possibly go back to the hotel again because the problem would most likely not be present at that time anymore. According to Albrecht & Zemke (1985 cit. Buhalis & Law 2008) less than 5% of dissatisfied customers had voiced out their complaints in the past. Now with the Internet and review sites which give a good possibility to anonymity, it has been made easier and more inviting for many people, me included, to voice out one's opinions.

Not using or managing the reviews in any way may lead to problems if the message on the reviews are very negative, no matter whether the message is actually true or not, because

the word may spread very fast and wide on the Internet. One example of the power of negative eWOM is a hate-song made by a musician about United Airlines in 2009 after they broke his guitar. This song is a world-wide phenomenon on the Internet with 12.9 million viewers on YouTube alone by March 2013 (YouTube 2013). Even though in this case the initial complaint was given directly to the airline and because it was ignored, the song was made, it still shows how powerful the eWOM can be in terms of bad promotion if complaints are not taken seriously or responded to accordingly by the companies. If managed correctly the eWOM can be a superb tool in spreading good promotional message of a product.

Promotional tool

Electronic word-of-mouth information such as hotel reviews on TripAdvisor can be promotionally both very bad for a hotel or a very good asset. According to Gretzel and Yoo (2008) review readers and especially TripAdvisor users seem to be a very important target market for tourism. The characteristics that make travel review readers valuable for hotels arise from their suitability for potential clients. People who read online reviews are more likely to have a higher income level than those who rarely or never read reviews (Gretzel 2007). Also of travelers, who read reviews every time or very often when planning a trip, over 50 percent in Gretzel's (2007) study had made more than three pleasure trips in the past 12 Months. Frequent travelers see consumer reviews as a more important part of their planning process and they are more likely to be influenced by them than travelers who travel more seldom (Gretzel 2007). This means that people who read or browse the reviews are people who actually travel and do it quite often. Getting some promotional message also generated by the hotel itself to these readers should be seen as a benefit.

Using the reviews and the hotel listing in general as a promotional tool are linked to the third stage of the marketing process, where the promotion is part of the marketing mix. There are several ways that the TripAdvisor hotel listing can be used to communicate information about the company and that way also manage the company image and reputation among potential travelers and not just the reviewers.

The first thing to be done, when using the TripAdvisor as a promotional tool, is to make sure that the hotel is listed on the site and that the hotel representative has registered to the

site, so that the information that is allowed to be added by the hotel is added and kept up to date. As discussed before, TripAdvisor can be and is used as a planning tool and additional search for accommodation on other sources may not occur, meaning that if a company is not on TripAdvisor some travelers may not hear about it at all. And because a company may be listed on TripAdvisor even though they themselves have not asked for it, it is important that the managers of the hotels acknowledge this so that they can use the opportunity to add some information themselves about their products as much as TripAdvisor gives relay, in order that the official information on the site is correct, relevant and up-to-date. So making sure that the company is listed on TripAdvisor and that the information given is correct, is the least a hotel manager should do while approaching TripAdvisor as a promotional tool.

Using the actual reviews as promotional tools is also possible. First because consumers trust more on reviews when there are more of them (EyeforTravel 2007), it is beneficial to the hotel to have more than a few reviews and having reviews added recently also adds to the value of the reviews being current. According to Tuominen (2011) the volume of reviews has impacts also on the rate and revenue of the hotel. The study by Tuominen shows that if a hotel has more reviews on TripAdvisor it has a positive impact on the revenue and rate of an available room and also can increase the occupancy level of a hotel (Tuominen 2011). This means that encouraging customers to review their product after the consumption can be beneficial.

Also getting reviews that bring out some of the negative sides of the hotel may be beneficial to the promotional message of a hotel. As noted before through negative comments the hotel can get information about the things that consumers do not like, but promotional-wise it gives other consumers a more realistic view of the product helping them to create a more realistic level of expectations (Gogoi 2007). The bad reviews need tight managing though, because misunderstandings and false reviews should not be ignored by the managers, because those do not have any positive input in the promotional message. TripAdvisor gives only two tools to manage these reviews that cannot be left alone: one is responding to the reviews and the other reporting false reviews to TripAdvisor's administrators so that they can be removed.

“Although it has been said that word-of-mouth cannot be controlled, it can be managed and should not be ignored” (Looker et al. 2007). Managing the word-of-mouth information on TripAdvisor is mainly only possible by responding, while the reviews cannot be deleted or edited by the hotels and the identities of the reviewers are not revealed. According to Milan (2007) those who respond to the reviews are also in general viewed more favorably. I have already introduced the reasons why bad reviews need to be managed in order to prevent the information from spreading and affecting the reputation of the product, but managing the reviews by responding can also be used to maximize the benefits. So managing eWOM is not only about damage control it is also about opportunities in hopes of higher revenue. As Litvin et al. (2008) say; demonstrating the hotel’s caring and concern by providing positive reassurance to potential visitors is possible in the electronic world, this can be done for example by responding to the reviews and either correcting the flaws that might have occurred in a tourist’s review or by offering reassurance. The use of eWOM is of course a very cost effective promotional tool, because using the Internet and the TripAdvisor is free of extra charges.

3.2.4 Limitations of reviews on TripAdvisor according to the literature

There are limitations and possible problems that may occur in the reviews posted on TripAdvisor. The key challenge is related to false reviews (O’Connor 2010). False reviews may be those posted by the hotel’s competition to push the competition lower on the destination ranking, or they may be posted by the hotel’s own initiation to boost their ranking or push bad reviews lower on their listing (O’Connor 2010).

Keates (2007) has brought up some aspects that might help identify false reviews. These aspects are: scores in a review which are clearly different from the mean scores, or that in the review another competing hotel is mentioned as superior and that the reviewer only has written that one review, which indicates that the username was created just to post that review (Keates 2007). A study by O’Connor (2010), which analyzed TripAdvisor reviews of a hundred randomly selected hotels in London, found that according to the criteria laid by Keates, there are suspected reviews to be found on TripAdvisor, that could be false. Absolute proof of whether the suspect reviews actually were false was however not found in the study.

The hotel managers need however be wary of the possible false reviews and the best way to deal with reviews that have false information on them is to report them to TripAdvisor so that they can be removed. Buying positive reviews either by bribing customers into giving good reviews or buying them from fake customers is a real concern. So hotels need to be careful not to cross the line where encouraging travelers to post a review turns into rewarding the consumers of good reviews. Also posting false reviews by the hotels themselves may lead into serious trouble. A hotel in England was flagged by TripAdvisor for posting reviews themselves and their booking dropped significantly (TNW 2011).

A challenge has also arisen that the tourists have realized the power of the reviews and the Internet. Some travelers may even try to blackmail hotel staff with a bad review in order to get what they want. Hotels need to make sure they have sufficient procedures in dealing with these kinds of issues if they come across them. Giving too much power to the consumers is not beneficial.

4 RESEARCH STRATEGY

In this chapter I will first introduce the methodological background for this study, while it is important to understand the basis which the study is standing on. Then I am going to discuss the methods which I have used to collect the data for the study and finally I am going to introduce the collected data.

4.1 Methodology

This study is a case study of the hotels listed on TripAdvisor under the city of Helsinki. The aim of the case study is to get a picture of the current attitudes of the hotels against consumer reviews on TripAdvisor and the use of those reviews in their marketing and management measures in response to the growing use of the reviews by tourists. The study has elements from different disciplines, such as geography, which is the corner stone, but also of economic research such as market research.

Even though the study has elements of different disciplines it is important to understand the epistemological standpoints and paradigms it adheres to. “*Epistemology deals with our understanding of knowledge – that is, how we come to know the world as a site for research and analysis*” (Shaw et al. 2010: 15). Research paradigm refers to fundamental assumptions about what the world is like and how it should be researched according to a body of literature, and also what the key objects of analysis should be (Shaw et al. 2010:15). This study is adhered to *critical realism*. The objects of critical realism are in events, which is a thing that when happening in the world, it causes the world to change (Shaw et al. 2010: 18). Critical realism suggests that these events can only be understood as having been produced by deeper structural forces and their causal mechanisms (Shaw et al. 2010: 18). In contrast to *positivism*, which “- *underderstands causality to be demonstrated through the regular, temporal occurrence of events (“ event B ” always occurs after “ action A ”)*, where in realism thinking is more “- *in terms of how “ action A ” and “ event B ” are connected*” (Herod & Parker 2010: 67-68). The context, which consists of the players and functions related to the case, is also important (Eriksson & Koistinen 2005).

In this case study the context is first made clear through literature, which was analyzed in chapters 2 and 3 and through data analysis, where the data is collected from the website TripAdvisor. The context of this study will lay out the reasons behind the importance of the consumer reviews both from consumer point of view and the hotel management perspective; also the context will reveal what the current scene, which is the hotel listings on TripAdvisor under the destination of Helsinki, is portraying. This context will then discuss with the main research data, the interview data, so that the research questions can be answered.

So the approach to this study in the critical realism paradigm is to find out how the rise of TripAdvisor and the growing use amongst tourists (action A) has affected the hotel management and their adoption of the use of TripAdvisor (event B). And this is analyzed through the context and the interview data. Next I am going to introduce the methods used to collect the data, and also introduce the collected data in detail which also completes the context.

4.2 Quantitative data from TripAdvisor

This study consists of two parts. First a quantitative data collection was performed, which helped in the construction of the second part of the data collection, the interviews. The data from the quantitative research is a part of the wider context with the literature, to which the main data from the interviews is then related to and analyzed against.

4.2.1 Methods of collecting the data from TripAdvisor

The decision to collect data first from TripAdvisor came simply because I needed some context and background information which I could, first craft suitable interview questions from, and second use as help in the choosing of the hotels for the interviews. Because the interviews are not meant to get any generalized results but more descriptive data of different types of approaches and not their frequencies, the interviewed hotels could be selected according to some set criteria not through a random sample.

The collection of the quantitative data from the site TripAdvisor was quite simple after the data collection criteria was decided. Choosing the data that was to be collected proved to be a bit more challenging than what I first thought though. The purpose of the quantitative

data collected from TripAdvisor is to give a clear idea of how the hotel-scene of Helsinki is portrayed through the website and also to define the set of hotels that the interview sample could be chosen from.

The data was collected at 9.1.2013 and is reflecting the situation that occurred at that specific time. It needs to be understood that because the website is constantly updated through content creation by consumers and the hotel representatives, the scene is constantly changing. Very dramatic changes probably will not happen very fast, but some hotels may have for example started to respond to reviews after the data collection, but in this study they are still categorized as hotels that have not responded to reviews. But this is the nature of research they often are describing a specific point of a changing phenomenon.

The first step of the quantitative data collection was performed in order to find out what could be found when using the hotel-search by the destination criteria *Helsinki, Finland* on TripAdvisor. The result was that there were altogether 92 establishments listed under these criteria of which 71 were listed under the category of *hotel*, 2 under *B&Bs and Inns* and 19 under *specialty lodging*. Only the establishments under the hotel category were analyzed further, because as decided earlier this study is about hotels only. The hotels also need to have reviews in order to be relevant to this study. Below are the main criteria by which establishments were either included in or excluded from further analysis in this study:

- An establishment needs to be listed on TripAdvisor under the destination of *Helsinki, Finland*.
- An establishment needs to be listed under *hotel* –category on TripAdvisor.
- An establishment needs to have received consumer reviews on TripAdvisor.

After excluding hotels that did not have any consumer reviews, which were 11, there were 60 hotels left to be analyzed. Two more hotels however were excluded because their actual location turned out to be outside the borders of the city of Helsinki, even though they were listed under the destination of Helsinki on TripAdvisor. This left 58 hotels located in Helsinki and listed on TripAdvisor under the destination of Helsinki and the category of hotels, and about these hotels additional information was collected.

Choosing the different information, that would be collected and that is available about the hotels on TripAdvisor, was not that easy. The information easily collected of each hotel were: hotel name, ranking of the hotel according to the popularity index on TripAdvisor amongst the hotels in Helsinki, number of received reviews, hotel class, minimum and maximum price of a room, and the date of each hotel's first received review. The problem arose when collecting data of the responses made by the hotel representatives. The information I wanted to collect was, whether the hotel had responded to any reviews, when was the first response to a review given, and how frequently or in how many reviews had the hotel responded to. Going through all the hotels' reviews and counting the number of responses by each hotel seemed however a too time-consuming task and the information gained would not have been that valuable. Instead I decided first to focus on the latest twenty reviews of each hotel and find out that how many hotels had responses amongst these reviews and how many responses there were amongst them. This seemed a valid approach, because as a study by Lee et al. (2008) found was that consumers in general read only six to eight reviews, so most relevant reviews are the latest ones, and also this study focuses on the current situation, which is of course portrayed best by the newest reviews and responses. The hotels which did not have any responses to the latest twenty reviews I categorized in a group labeled "*no responses*", but of these hotels I made a more extensive search in order to determine whether these hotels had never responded to reviews or whether they had but not to any of the newest ones. A few of these hotels labeled in the "*no responses*" group did in fact have some responses to older reviews. These hotels were however kept in this group with no responses also after discovering these older responses, because at the time of the data collection they had no responses to new reviews.

While collecting the data related to the responses by the hotel representatives, only reviews written in English were taken into account, because the assumption is that all the hotels have the skills to read and respond to these reviews, but not necessarily on reviews written on other languages and I did not come across reviews written in Finnish, so those were no problem either. In other cases of the data collection than in those related to responding by the hotel, for example in the date of the first received review and in the total number of received reviews all the reviews regardless of the language were taken into account. The information that was finally collected from each hotel listing is listed in table 1.

TABLE 1. Information collected from TripAdvisor.

Information collected from TripAdvisor
Hotel name
Number of reviews
Number of responses among the newest twenty reviews
Hotel class*
Minimum and maximum price*
Date of the newest response given by the hotel
Date of the twentieth latest received review
Date of first given response by the hotel
Date of first received review
Is the hotel part of the Business listing?

*Data collected if available

In figure 11 are shown the locations of the hotels in Helsinki that the information was collected from. The hotels in Helsinki are clearly location-wise centralized in the city center area around the main railway station or near the railway. Only individual hotels that have received reviews on TripAdvisor are located further away from the city center. Even though also in Helsinki the hotels' locations can be divided into several different groups according to their location regarding some other elements in the region, as were done in a study by Paananen (2013) where the hotels in the metropolitan area of Helsinki were divided into nine different groups. The locations of the hotels are not in the heart of this study however and hence not deeply analyzed, but it is useful to have also a spatial idea of how the hotels are geographically located in the city. Some attributes are later also visualized on a map, but no extensive spatial analysis is added to this study because I find that it would be more meaningful in a study where the focus region is a bit bigger and also it does not serve the answering of the research questions and would hence be vain in this study.



FIGURE 11. Hotel locations in Helsinki (modified: MML 2013).

4.2.2 The hotel scene of Helsinki on TripAdvisor

After the data was collected I processed and analyzed it further with the help of Microsoft Office Excel and IBM SPSS Statistics software; I also made minimal analysis with the ArcMap software to determine whether the different locations of the hotels in Helsinki had some clear and significant affect on the reviews.

The hotels in Helsinki have received in total 9 707 reviews, which range from 1 to 759 reviews that have been posted to a single hotel. There were clearly three groups that the hotels could be divided into according to the number of reviews they had received. These groups are shown in figure 12; the groups are: hotels that have received only a few reviews (1-20 reviews), hotels that have received a decent number of reviews (21-100) and the hotels with a lot of reviews (101 or more reviews).

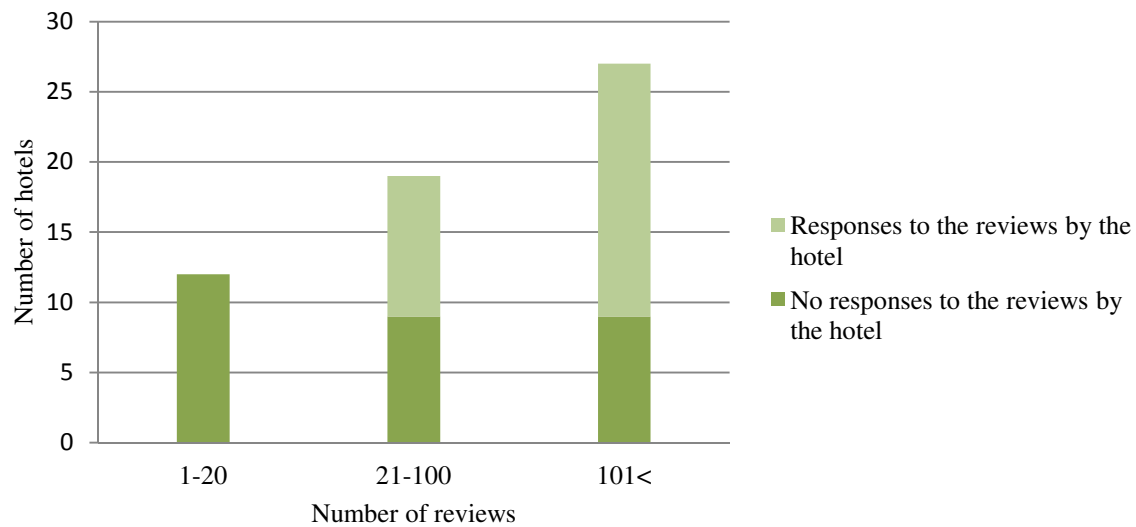


FIGURE 12. Number of received reviews on TripAdvisor and the number of responding and non-responding hotels.

In figure 13 are illustrated all the hotels in Helsinki and the groups that each hotel is put into according to the number of reviews it has received. Only hotels that have received at least one review are illustrated. The figure 13 is in two parts, where first there are shown a wider area of Helsinki and then the image is focused on the city center area, where most of the hotels are located. The figure shows that there are hotels both in the city center and further away from the center that have received more than a hundred reviews and also those that have received only twenty reviews or less. So the location inside Helsinki is not an important factor in the number of received reviews, at least without any other indicators, according to this analysis.

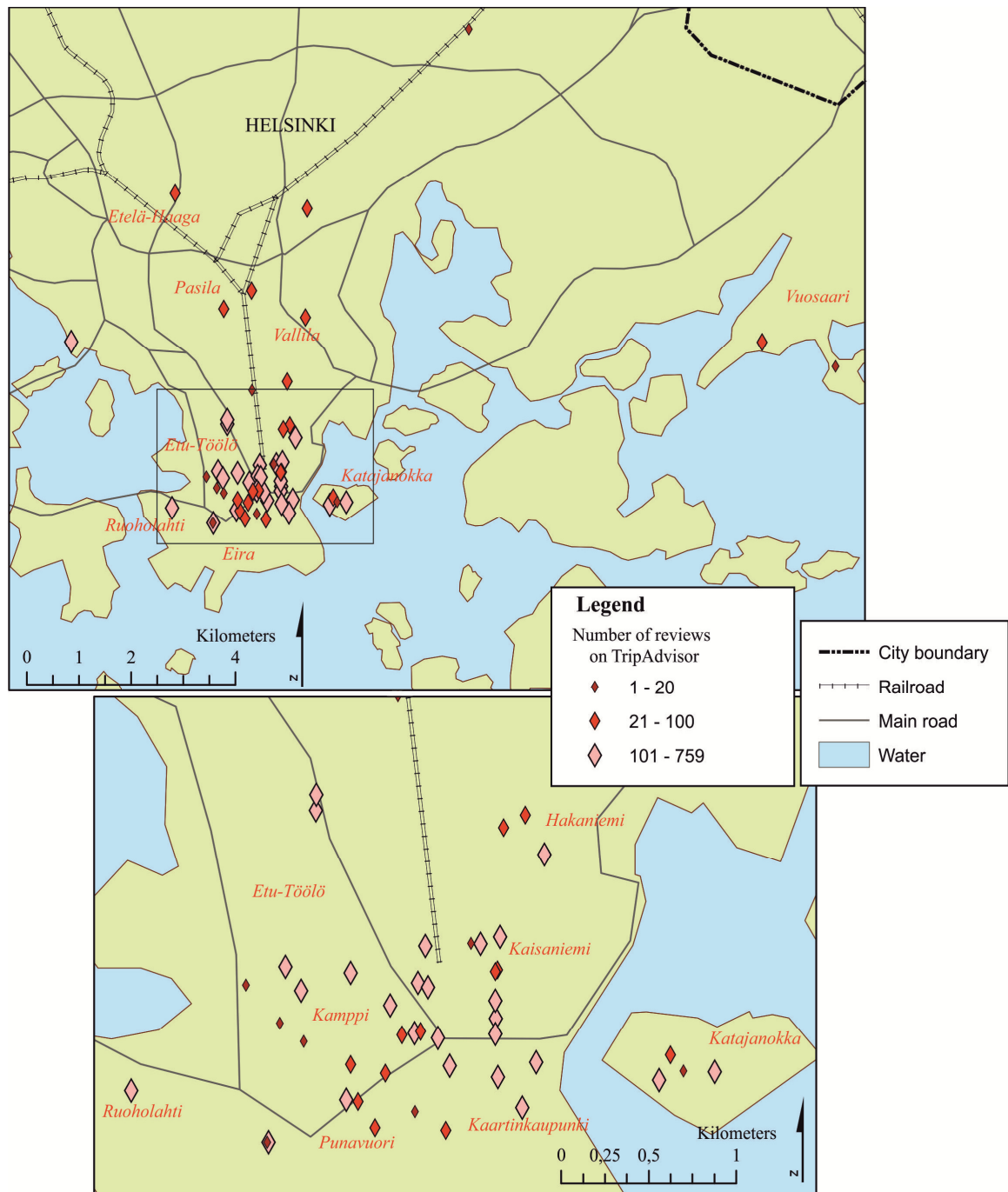


FIGURE 13: Hotel locations and the number of received reviews in Helsinki with a close up of the city center area (modified MML 2013).

Also the hotel ranking was analyzed regarding the hotels' locations, which is shown in figure 14. But also here no significant elements were found. Even though the location of a hotel is usually an important feature in the service, in Helsinki both hotels that are located near the city center and hotels further away are included in the top ten of the ranking on TripAdvisor. Also hotels lower on the ranking are found both in the center and further

away, so location alone does not make a hotel popular on TripAdvisor. A hotel's location and the type of hotel have also often a strong relation. For example hotels targeted at business travelers or at conferences may not be located at the city center and they still may be popular while hotels targeted at tourists visiting the city and culture sights may prefer the city center location. So with only a simple map illustrating the hotel location and the popularity of a hotel do not give that much deeper information. But it does show that a hotel may be located further away from the city center or the main locus of hotels and still be high on the ranking.

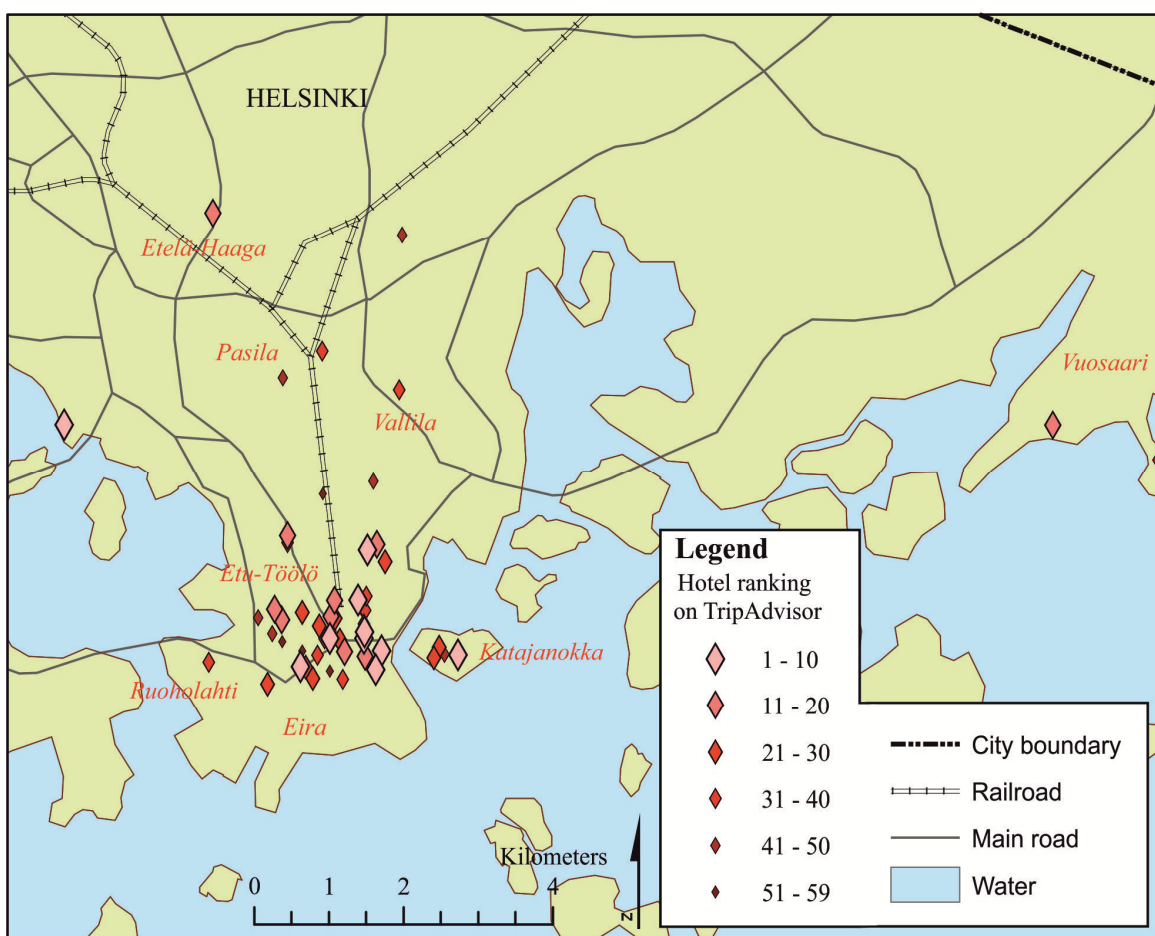


FIGURE 14. The hotel locations in Helsinki and hotel ranking on TripAdvisor (modified: MML 2013).

Because the study aims to find out whether the reviews are used by the hotels or not and how, I find it unnecessary to take those hotels into the interviews, which have only a few reviews. Most likely those hotels are either so new that they have not yet gotten many reviews, or they for any other reason do not receive them often. It may be that these hotels do not use the reviews because they simply do not have a lot of them, and I believe that I

can answer the research questions without taking these hotels into the interview group. Also none of the twelve hotels, which have twenty or less received reviews, have responded to any of them (figure 12), which means that they most likely do not use them as much as the hotels that have more reviews, so the interviews would likely be less valuable than for example interviewing a hotel that has a lot of reviews but still do not respond to them. Of course it could be a topic for another research to discuss the reasons why some hotels only have so few reviews, but that is not the place in this study.

Now after the 12 hotels which have only a few reviews have been excluded, there are still 46 hotels that can be included into the interview stage of the research. Now these hotels can be analyzed a bit further according to the collected data, so that an extensive overview of the hotel scene can be created and the context for the interviews properly placed and the hotels for the interviews to be picked.

As seen in figure 9 there are two types of hotels in both the groups hotels with a lot of reviews and those with less reviews, namely those that have responded to reviews and those that have not. Looking more closely into the dates of received reviews and of the responses by the hotels, there are some interesting facts to be found. The date of the first review received by any of the hotels which are still in the sample group is 12.8.2002 (figure 15). TripAdvisor was founded in 2000 (TripAdvisor 2013b). The year 2004 has been a turning point in the use of TripAdvisor by the tourists reviewing hotels in Helsinki, as can be seen in figure 15. By the end of that year 24 hotels in Helsinki, which are still listed on TripAdvisor, had received at least one review from at least one consumer. After the year 2004, the hotels that had not gotten a review yet by the year of 2004, a few hotels got one every year. Here though needs to be remembered that not all the hotels had yet been established in 2002, so the hotels that have received their first reviews later may very well be established later and hence received their first review later. Nonetheless the figure still shows that 2004 has clearly been the year that tourists have really started to use TripAdvisor, or at least write reviews also to hotels located in Helsinki. The intensity of the consumers use cannot be said based on this data, but it is not relevant to this study, however I want to clarify that it does not mean that the hotels have started to receive

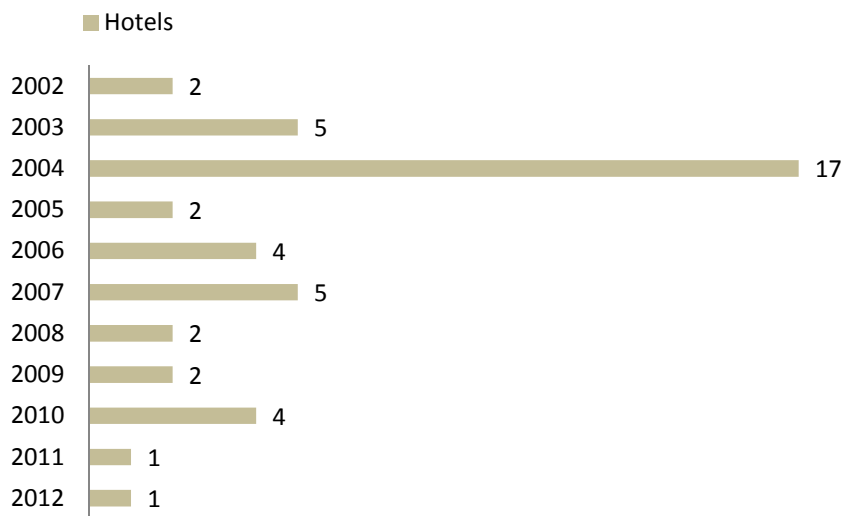


FIGURE 15. Number of hotels according to the year of the first received consumer review on TripAdvisor.

regular and numerous reviews from 2004 onwards, that year is only the time that the first reviews have been received by many of the hotels.

The first responses by the hotels did not appear until February of 2010, and interestingly the hotel that was first to respond has not responded to a review since March 2011, even though the hotel is still operating. Those hotels which have responded to the reviews have started to respond quite evenly between the years 2010 to the end of 2012. In 2010 eight hotels gave their first response, in 2011 nine hotels and in the year 2012 ten hotels began to respond to the reviews (table 2). Even though the difference in many hotels between the first review and the first response is nearly a decade, it is clear that the last few years have been the changing point in the hotels regarding the responding.

The frequency and the intensity that the hotels respond at to the reviews are also relevant. Some hotels have responded only to one or two reviews in the past, while some respond to almost all of the reviews. To get a better idea of this I will focus on the latest twenty reviews that the hotels have received. The latest twenty reviews received by the hotels ranged time-wise from only a few months old reviews, meaning that the hotel received twenty reviews in a few months, to hotels where getting the same amount of reviews have taken a year or more. There are 11 hotels that have received less than twenty new reviews during the year 2012 of the 46 hotels that are still in the sample group.

TABLE 2. Dates of first given responses by hotels in Helsinki on TripAdvisor.

	2010	2011	2012
1	17.2.2010	4.3.2011	21.2.2012
2	30.3.2010	6.5.2011	5.3.2012
3	24.4.2010	6.5.2011	4.6.2012
4	23.6.2010	24.5.2011	23.8.2012
5	7.9.2010	27.6.2011	3.9.2012
6	5.10.2010	16.8.2011	3.9.2012
7	3.12.2010	13.9.2011	7.9.2012
8	4.12.2010	23.12.2011	3.10.2012
9		30.12.2011	18.10.2012
10			13.11.2012

Looking more closely at these eleven hotels, it can be found that some of those do however respond quite intensively to reviews even though they do not receive them that often. These hotels include lower budget hotels as well as hotels with stars up to 3½ according to the data collected from TripAdvisor. In table 3 is more information about these eleven hotels. As can be seen from the table, there are no clear similarities to be found in this data between the hotels that receive reviews quite rarely. Both budget hotels and those with higher class respond to and do not respond to the reviews, although no five or four star hotels are included. Also the number of reviews, inside the category of hotels which have 20-100 reviews in which all of these hotels are categorized, do not seem to effect the responding. And those who respond seem to also have different ways in doing so. Clearly the hotel number 5 has responded earlier to reviews but no more, as none of the latest twenty reviews have been responded to. In contrast hotel number 8 is clearly actively responding to most of the arriving reviews. The ranking of the hotels on table 3 tells what the hotels' ranking amongst all the hotels in Helsinki on TripAdvisor have been at 9.1.2013, and as can be seen there are hotels from the spot 15 to 51, while there are 60 ranked hotels on TripAdvisor, so it seems that the low level of received reviews per year do not necessarily mean bottom positions, but then again none of those are at the top ten either.

These eleven hotels will be an interesting part in the interview stage, because finding out that are hotels using the reviews, even if they do not receive them that often need to be discovered. From the table 3 can already be said that some hotels do respond, probably

with the minds in managing the consumer touch point, but more interestingly from the interviews can be found out if the hotels use them informational-wise, even though there is not that much and clearly not that often new data available.

The hotels which have received less than twenty reviews in the last year are chosen as one focal point, although a minor one, through which some questions are tried to get answered to. The other hotels that are chosen to be in the centre of the study are chosen according to the activity of the hotels in their responding, because these hotels most likely have at least different reasons on why they are responding to the reviews the way they do, which will give an indication of which hotels may likely give this research the answers that will benefit the aim of this study. I categorized all the 46 hotels, which are still in the sample group, into three categories:

1. Hotels that have never responded to reviews or which have not responded to any of the latest twenty reviews.
2. Hotels that have responded to some specific reviews (ten or less responded reviews in the latest twenty received reviews).
3. Hotels that respond to most of the reviews they receive (more than ten responses to the latest twenty received reviews).

These groups are displayed in table 4, where it can be seen that in the first group there are 22 hotels, in the second there are 13 and in the third 11 hotels.

These were the three groups which I used as a guideline for choosing hotels for the interviews, because the ways the hotels are using the reviews are clearly different among the hotels in these different groups, at least on the basis of responding habits. The reasoning and the facts behind these clearly different actions regarding the reviews are clarified through the interviews, and based on the interviews the different attitudes and measures among the hotels can be found out. First however I want to find out if there are some similarities or differences in the hotels that are in a same group, so that I can more specifically choose the interviewed hotels in order that all the different aspects could be covered as thoroughly as possible. So each group will be examined in short next.

TABLE 3. Hotels with less than twenty new reviews during the year 2012 on TripAdvisor.

	Ranking 9.1.2013	Number of received reviews	Has the hotel responded to any reviews?	Hotel class	Number of responded reviews among the latest 20 received reviews*	Date when the last response by the hotel has been given
Hotel 1	15	64	No	2½ Stars		
Hotel 2	29	63	No	3½ Stars		
Hotel 3	32	38	No	3 Stars		
Hotel 4	38	28	Yes	N/A	3	Dec-12
Hotel 5	39	52	Yes	3 Stars	0	Mar-11
Hotel 6	40	74	No	3½ Stars		
Hotel 7	42	43	No	3 Stars		
Hotel 8	44	45	Yes	3½ Stars	14	Jan-13
Hotel 9	46	27	No	4 Stars		
Hotel 10	49	22	No	N/A		
Hotel 11	51	78	Yes	N/A	11	Nov-12

*Only informed if a hotel has responded to any of the received reviews. Hotels with no data have never responded to reviews.

TABLE 4. Number of responses by the hotels to the latest twenty received reviews.

	Hotels	Percentage
No responses	22	48 %
1-10 responses	13	28 %
More than 10 responses	11	24 %
Total	46	100 %

No responses to the latest twenty reviews

In the group of hotels which have no responses any or to the latest twenty reviews there are 22 hotels. Amongst these hotels are 18 hotels that have never responded to a review and 4 hotels which have responded to at least one review, but just not to the newest ones. In table 5 the characteristics of these hotels that are included into this group are displayed.

There are no clear similarities between hotels in this group according to the data except that they have not responded lately to the reviews. Interestingly though there are three hotels that are ranked in the top ten on TripAdvisor popularity index, regarding the hotels in Helsinki, which do indicate that responding, is not a key issue or at least it is not necessary in succeeding on TripAdvisor. The hotels number 1, 7, 17 and 19 have responses to reviews, but not in the latest twenty reviews. As noted earlier consumers usually read only 6-8 reviews, which means that if a hotel responds to the reviews in a promotional sense the message might be missed by the potential customers if it is not amongst the newest reviews. Though if the responses are mainly made in former customer relationship management means, the responses, of course, are not vital to be in the newest reviews but in the reviews that need responding to in order to manage the relationship with the reviewer. So the reasons behind the less active responding are one thing that needs to be analyzed through the interviews. A second thing that needs to be found out is the reasons why some hotels have clearly stopped responding altogether. Hotels 17 and 19 have not responded to a review since 2011, so they clearly have stopped responding and the reasons would be quite interesting to be known. So the main questions that need to be clarified regarding this group in the interviews are that why are the hotels not responding and while they do not respond do they use the reviews in any other ways as an information source either.

TABLE 5. Hotels that have not responded to the latest twenty received reviews.

	Ranking 9.1.2013	Number of received reviews	Has the hotel responded to any reviews?	Hotel class	Date when the last response by the hotel has been given
Hotel 1	2	291	Yes	5 Stars	Oct-12
Hotel 2	3	759	No	4 Stars	
Hotel 3	7	319	No	4 Stars	
Hotel 4	10	184	No	3½ Stars	
Hotel 5	15	64	No	2½ Stars	
Hotel 6	16	82	No	3½ Stars	
Hotel 7	18	291	Yes	4½ Stars	Oct-12
Hotel 8	19	51	No	3 Stars	
Hotel 9	20	217	No	3½ Stars	
Hotel 10	23	327	No	4 Stars	
Hotel 11	27	275	No	4 Stars	
Hotel 12	28	507	No	4 Stars	
Hotel 13	29	63	No	3½ Stars	
Hotel 14	31	143	No	4 Stars	
Hotel 15	32	38	No	3½ Stars	
Hotel 16	34	305	No	3½ Stars	
Hotel 17	39	52	Yes	3 Stars	Mar-11
Hotel 18	40	74	No	3½ Stars	
Hotel 19	41	82	Yes	2 Stars	Oct-11
Hotel 20	42	43	No	3 Stars	
Hotel 21	46	27	No	4 Stars	
Hotel 22	49	22	No	3½ Stars	

One to ten responses to the latest twenty reviews

There are 13 hotels that have responded to a few of the latest twenty reviews. This could indicate that they have a sampling system, which they use to pick the reviews that need to be responded to. This will be one thing to be discovered through the interviews. As displayed in table 6 there are no clear similarities between the hotels in this group either. There are hotels represented in this group that have less than fifty reviews and hotels that have more than 400 reviews. The ranking of the hotels differs from five stars to three and a half stars, and those hotels without a hotel class in table 6 include also budget hotels, so the range is wide. There is also one hotel that has received less than twenty reviews during the year 2012. The main aim regarding the interviews to be made to hotels in this group is to find out what their reasoning is in the action where they are responding to some reviews and not all of them. Also finding out if they use the reviews in other means is a focal point, as it is also in the interviews of the hotels in the other groups.

TABLE 6. Hotels that have responded to a few reviews on TripAdvisor.

	Ranking 9.1.2013	Number of received reviews	Hotel class	Number of responded reviews among the latest 20 received reviews	Date of latest response by the hotel	Date when the 20th newest review has been received
Hotel 1	1	276	4 Stars	1	Nov-12	22.10.2012
Hotel 2	4	449	4 Stars	1	Nov-12	27.9.2012
Hotel 3	5	429	5 Stars	1	Jan-13	12.10.2012
Hotel 4	11	326	4 Stars	5	Oct-12	27.5.2012
Hotel 5	13	131	4 Stars	1	Jul-12	18.5.2012
Hotel 6	14	224	4 Stars	1	Sep-12	17.9.2012
Hotel 7	25	84	3½ Stars	7	Nov-12	26.6.2012
Hotel 8	26	190	4 Stars	1	Sep-12	5.10.2012
Hotel 9	30	289	3½ Stars	3	Nov-12	20.8.2012
Hotel 10	33	65	3½ Stars	1	Sep-12	11.6.2012
Hotel 11	35	132	3½ Stars	5	Nov-12	11.7.2012
Hotel 12	36	38	N/A	5	Nov-12	25.1.2012
Hotel 13	38	28	N/A	3	Dec-12	8.10.2011

Responses to most new reviews

As in the previous groups, in the group where hotels clearly try to respond to most of the new reviews, there are no clear similarities to be found according to the data. As in table 7 is shown, these hotels are not on TripAdvisor on the top five positions of the ranking, but still three hotels are in the top ten. This may be an interesting fact though, because it may indicate that responding to most of the reviews may regardless of the benefits of responding not be necessary in order to succeed on managing the consumer touch point on TripAdvisor. In this group, as in the previous one, the hotels have reviews from less than 50 up to more than 400.

TABLE 7. Hotels that have responded to more than ten reviews of the latest twenty reviews on TripAdvisor.

	Ranking 9.1.2013	Number of received reviews	Hotel class	Number of responded reviews among the latest 20 received reviews	Date of latest response by the hotel	Date when the 20th newest review has been received
Hotel 1	6	250	4 Stars	14	Dec-12	5.9.2012
Hotel 2	8	483	4 Stars	12	Dec-12	15.10.2012
Hotel 3	9	25	N/A	14	Dec-12	25.11.2012
Hotel 4	12	439	4 Stars	11	Jan-13	17.10.2012
Hotel 5	17	283	3½ Stars	17	Dec-12	8.8.2012
Hotel 6	21	98	3½ Stars	12	Nov-12	29.5.2012
Hotel 7	22	367	4 Stars	17	Jan-13	28.10.2012
Hotel 8	24	421	4 Stars	14	Dec-12	28.10.2012
Hotel 9	37	271	3½ Stars	20	Jan-13	11.10.2012
Hotel 10	44	45	3½ Stars	14	Jan-13	10.6.2011
Hotel 11	51	78	N/A	11	Nov-12	26.9.2011

The aim also according this group of hotels is to interview at least two hotels, which have some differences in the hotel attributes found from TripAdvisor, so that the reasons for the measures they are taking can be found from different types of hotels. Most interesting in this group is to find out what the reasons for their actions are and whether they have also embraced the use of the reviews as an information source as wholesomely as they have the responding aspect.

4.3 Interviews

The main method in data collection in this thesis is interviews which are analyzed thematically. The study is a qualitative case study, even though there are also quantitative data which was introduced above. The interviews produce qualitative data, which will be analyzed against the quantitative data and the information from former researches and theory.

“The goal of interview . . . research is usually not to generalize to a population, but instead to answer questions about the ways in which certain events, practices, or knowledges are constructed and enacted within particular contexts” (Secor 2010: 199). In this study the use of the consumer reviews on TripAdvisor is studied within the context of hotel marketing measures. *“Interviews are often used for studies in which participants are “experts” from whom you hope to learn how certain practices, experiences, knowledges, or institutions work”* (Secor 2010: 199). In this study the experts are hotel representatives, who are familiar with their hotels attitudes and processes related to the consumer reviews, which is the working that is ultimately in the focal point of this study.

The interviews were semi-structured, which means that the interviewer uses a guide, which is *“a set of possible questions arranged so as to proceed in the most natural and inviting way possible”* (Secor 2010: 202). The guide and framework of questions used in this study is found in appendix 1. This guide of questions was meant to be only a guide, which helped me to make sure that all the needed questions became answered. The interviews in this study were held as discussion-like as possible, so that the interviewees did also spontaneously answer questions or tell information that I had not yet asked or come to think to ask. Also clarifying and follow up questions were a part of these semi-structured interviews, which means that the interviewer must have been able to adapt to the situation.

After the interviews were conducted they were written into transcripts, which then were analyzed. The focus of analysis in this study, related to the interviews, were in extracting themes and points which arose in different interviews, and also which differed across the interview data.

4.3.1 Conducting the interviews and the limitations and problems of the data

The first step in conducting the interviews was choosing the hotels which would be interviewed. This was done by the help of the quantitative data collected from TripAdvisor and the three groups that the hotels were divided to according to the response-rate to the reviews and also the group where hotels with less than twenty new reviews during the year 2012 were categorized. From the 46 hotels that were still in the group of hotels that could be interviewed. I sent requests for interviews to 16 hotels. In the end seven hotels responded to my request and all of these seven hotels were willing to participate in the research and I also interviewed all of them. From the interviewed hotels three were categorized in the *no responses* group, and two hotels in each of the categories of *a few responses* and *responses to most of the new reviews*. I managed to get only one response from a hotel that was also part of the group that had received less than twenty reviews during the year 2012.

The hotels interviewed from the *no responses* category are three different types of hotels. One of the interviewed hotels had more than 100 reviews on TripAdvisor and two had less than that. The hotels also represent different hotel classes and their hotel ranking on TripAdvisor also varied from the top to the bottom half of the ranking. In the other two groups also the ranking varied between the hotels, but the hotel classes on TripAdvisor were more similar than in the first group. This however do not seem to be a problem in the analysis, because the hotels had despite this different approaches on the matter at hand and the aim of the study is not to compare the different approaches or the hotels characteristics, but only to find out the possible different approaches.

The interviews were conducted in February and the beginning of March in 2013. At this point the quantitative data collected from TripAdvisor, which was collected in January, was still relatively relevant. Of course the hotels had received new reviews and the rankings had changed a little, but this did not affect the interviews in any way, because the measures that the hotels had according the reviews on TripAdvisor had not changed.

The interviewees were mainly hotel managers and some sales personnel and other employees that were in charge or familiar with the hotel's measures regarding TripAdvisor. The interviewed persons were mainly those who were either in charge, or partly in charge, of the measures regarding TripAdvisor or who were otherwise involved

with the hotel's measures on TripAdvisor or marketing in the Internet in general. The interviews were conducted face-to-face in the hotels, which gave the possibility to ask additional questions and see the reactions to the questions, which is not possible by telephone interview or email.

Even though the final sample size in the interviews is only seven hotels it is enough to get an idea of how the hotels are using the reviews and if they are using them in the first place. After conducting the seven interviews I found that the interviews brought up a lot of similar issues in the hotels' ways of thinking regarding the reviews in each of the hotel groups that I had conducted. Also some surprising differences were of course present. If the purpose of this thesis had been to measure which perspectives against the reviews are more common or favored the sample size would have obviously been too small. Sufficient reasoning is however possible by this sample size and the time became the biggest constraining issue in a way that I decided not to pressure further the hotels to respond that had not done so even though I had sent them a request to take part in the research.

So it is clear that this data is highly constricted and bound to the research questions. It cannot be used to get generalized results. The data can only tell the actual situation of the hotels interviewed and nothing of the other hotels' actual attitudes or measures regarding the reviews on TripAdvisor. However assumptions and suggestions can be made, which also will be made in this study. Next I am introducing the results from the interviews.

5 RESULTS

Now I am going to analyze the results that are found from the research data. I have divided this chapter into three parts. First I am focusing on the reviews and TripAdvisor as a consumer touch point for the hotels. Meaning that how the hotels react to the reviews and how they might be using the reviews in promotional and customer relationship management measures. Second I am focusing on the information aspects of the reviews; are the reviews valuable as an information source for the hotels and what information available on TripAdvisor is used by the hotels. Finally I am going to discuss some general points regarding the use of TripAdvisor, which arose in the interviews. Six of the seven interviewed hotels said that they use TripAdvisor regularly. Only one mentioned that they do not use it that much, but they have also signed in to the site.

5.1 TripAdvisor as a consumer touch point

5.1.1 Responsibilities of reading and responding

The interviewed hotels read their reviews quite regularly. Five of the seven interviewed hotels say they read the reviews on TripAdvisor every day or whenever they receive a notice that they have received a new review. TripAdvisor can send a notice via email to a hotel when a new review is posted by a consumer, and this possibility is used in many of the interviewed hotels.

In those hotels where the reviews are read every day, the task of following the reviews is clearly pointed to one person, except in one hotel, where there was no pointed person for this task, but according to the interviewed person all the employees read the reviews spontaneously of their own interest. In this hotel the hotel owner is the person who responds to the reviews, so it is likely that the owner also reads them regularly, but the task of following the reviews is not assigned to anyone especially. When asked in the interviews if other staff members are encouraged to read the reviews almost all the interviewed hotels said that yes but that it is more something that is wished that the employees would do out of their own interest than because the hotel tells them to. A few interviewed hotels also regularly collect all the feedback from all feedback channels into one package and send it to the staff and managers, so that the information would be easier

to read while it is all collected to one place, but actually reading it is still voluntary. But the main feeling that I got from the interviews is that in most of the hotels where TripAdvisor is used the employees also seem to be interested in the reviews and read them at least sometimes.

The two interviewed hotels that said that they do not necessarily read the reviews every day had very different reasons. One of these two hotels, the manager read the reviews once a week, but according to him the other staff members are encouraged to read the reviews so that issues that need their attention can be found quickly even though the manager do not read them every day. This hotel also has a different person, who is not located at the hotel, whose responsibility is to respond to the reviews. This person gets, according to the interviewed hotel representative, a notice if a new review is posted, so that he can respond to it as quickly as possible if needed. So this means that in this hotel the responsibilities of reading the reviews in operational and informational point of view or in a marketing and consumer touch point points of view have been separated in a way that the hotel manager, who is more in charge of getting the useful information from the reviews than managing the touch point, do not have to follow the reviews daily in order that the reviews would be responded to. So after all in this hotel also the reviews are probably followed every, or nearly every day, but by different persons in different locations.

The interviewed representative of the other hotel that do not read the reviews every day said that he is the one that usually reads the reviews, but he reads them more from other sources like from booking channels which also have reviews, like Booking.com, than from TripAdvisor. The reason is that according to the interviewed person TripAdvisor is misleading regarding the consumers because the popularity index, or the ranking, is based on the number of reviews a hotel has gotten and not so much on the content of the reviews. This would mean that a hotel with most reviews would be ranked number one and the hotels with least reviews would be at the bottom. In figure 16 all the hotels in Helsinki that are on TripAdvisor and have received at least one review are illustrated according to the number of received reviews and the ranking. As can be seen a higher number of reviews do not necessarily mean a higher spot on the ranking and a lower number of reviews do not mean that the hotel is automatically on the bottom. For example the hotel ranked number 9 has only 25 reviews while the hotel with second highest number of reviews (507 reviews)

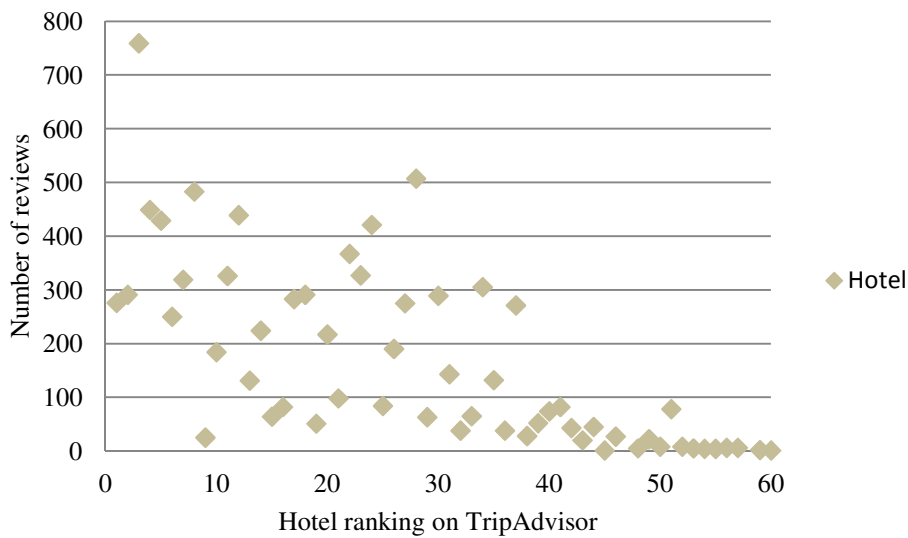


FIGURE 16: Number of reviews and hotel ranking on TripAdvisor.

is on the 28th spot on the ranking. Of course if a hotel has only a few reviews each review probably has a higher impact, so that one or two bad reviews may affect more when there are not that many reviews, but in general it seems that the ranking or popularity index does entail other aspects too, which are not all revealed by TripAdvisor, than just the number of reviews.

One thing worth mentioning, that regards the hotel ranking, is that the hotels star rating, or hotel class, is not necessarily a big factor on the popularity either. As shown in table 5 (chapter 4) the hotel 5 has managed to get to 15th place with only 2½ stars, where for example hotel 21 is on spot 46 with 4 stars. So neither this factor alone seems to be the reason to the ranking of a hotel. Although looking at the top ten of the ranking all the hotels seem to be four or five star hotels. Finding reasons for this is however not possible regarding the data of this study and because TripAdvisor has not revealed the formula based on which the ranking is created, the issue would be difficult to be thoroughly studied.

The task of responding to the reviews was in all the interviewed hotels, except the one described before, pointed, in whole or at least partly, to the same person that is mainly in charge of following and reading the reviews. The person to whom these tasks are pointed to included for example the hotel manager, the hotel owner, brand manager or some other employee who works in the hotel or at the hotel chain. One hotel had divided the

responsibility of responding to the reviews to multiple persons, in a way that their assigned “*social media manager*” responds to positive reviews if necessary, but in a case of a negative review the responding person is always the hotel manager.

As noted earlier in one of the interviewed hotels, where the responsibilities of reading and responding are divided to different persons, the person who responds to the reviews is not working at the hotel itself but at the chain’s office located elsewhere. This person is also responsible for responding to some other hotels’ reviews on TripAdvisor. These other hotels are a part of the same hotel chain.

5.1.2 Responding methods

The ways in which the hotels respond to reviews or how they choose the reviews which they respond to are differentiated. Here the categories created in the previous chapter, and which helped me to choose the hotels to the interviews, play an important role. The responding methods have similarities inside the groups but also differences, so the analysis of the results is done by using these categories, which were:

- Group 1. Hotels that have never responded to reviews or which have not responded to any of the latest twenty reviews. (Three hotels)
- Group 2. Hotels that have responded to some specific reviews (ten or less responded reviews in the latest twenty received reviews). (Two hotels)
- Group 3. Hotels that respond to most of the reviews they receive (more than ten responses to the latest twenty received reviews). (Two hotels)

Group 1

First I will start by analyzing the interviews from group 1, where the hotels had not responded to the newest reviews. In this group the interviewed hotels were quite different in regards of their responding methods to the reviews. Even though the three interviewed hotels were in this group, where there are no responses in the latest reviews, at least one of them has an active model in responding to the reviews and said that they actively do respond to them. Only one of the interviewed hotels in this group said that they do not respond to the reviews at all at the moment. The third hotel is one of which I got the image that the responding is not that active but do occur if needed.

The hotel's, that do not respond to the reviews at all, reasoning for not responding is simply that they do not see a reason for it, because they have not received that many reviews and the contents of the reviews are such that they would be difficult to meddle with. But they do however read the reviews, although maybe not that regularly, but according to the hotel representative if needed they do what they can regarding the issues on the reviews, so the reviews are not totally ignored. This hotel is the one that reads reviews more from booking channels than from TripAdvisor and uses the least TripAdvisor altogether from the interviewed hotels. The representative of this hotel do acknowledge however that it is a good feature that there is a possibility to respond to the reviews and that responding in cases where there is something faulty in the review could be beneficial. But in his opinion responding to every review would vitiate the idea and the value of responding, but responding once in a while could be seen as beneficial, which they however at the moment of the interview, were not doing.

The second hotel in this first group said that they do respond to the reviews, but mainly to very positive ones or very negative ones. According to the interviewed hotel representative the very negative reviews are often a result of bad luck so that it is not a result of something that is a continuous problem in the hotel. So the hotel do respond to the reviews but they clearly do not find a reason to respond in most of their reviews, which is why none of the latest twenty reviews have been responded to. The interviewed hotel representative was not the person who responds to the reviews, so if there are some deeper reasons behind the responding method those were not possible to be discovered through the interview.

The third hotel in this group also said that they respond to reviews. They too choose carefully the reviews which they respond to, because responding to all of them would in their opinion be too much and it would give an impression that the reviews are responded to because the hotel has been told that they should do so. Their method of responding is to respond to the negative reviews and to some positive reviews that give them a good opening for some small promotion; meaning that they will not just thank for a good review but they will use their responses as a promotional tool by telling a bit more about their services, which the reviewer may have mentioned. Although the last response by this hotel had been made months before the data collection from TripAdvisor in January and no

responses were among the newest twenty reviews, the hotel seemed to be on the top of this issue and have an active method of dealing with the reviews, at least I theory.

Group 2

The two interviewed hotels in the group 2 pick carefully the reviews that they respond to. These hotels are quite similar in this way to the two hotels in the first group that also carefully pick the reviews that will be responded to. The categorizing of the hotels in different groups happened because the hotels in this group happened to have at least one response in the latest twenty reviews and the two responding hotels in the first group had not.

One of the hotels in this group mentioned that the reviews rarely contain so elaborate information that it would require reacting to. Also time is mentioned as a constraint, where responding to every positive review and thanking for those, would be too time consuming. The hotel responds mainly to negative reviews, which they consider a proper way in order that the customer can be assured that the hotel is fixing or doing something regarding the problem.

The other hotel in this group has the same idea of not responding to each review, so that the message would not get vitiated. They respond to reviews mainly if there is some improvement suggestions or if something has gone wrong.

Group 3

The two interviewed hotels that had responded to most of the new reviews stated that their responding strategy is to respond to all the reviews if possible. However the two interviewed hotels do have some small differences in how they approach the responding. One of the hotels has a bit more formal way of responding; their approach is to thank for the positive reviews and try to correct the problems that arise. The other hotel has a bit more relaxed approach, where the hotel representative said that they are trying to avoid too vague and repetitive responses. The first hotel has a clear method in responding coming from the company level, where also substitute respondents are available if needed, but the other hotel relies on the one person's responses and response method at the moment. However this hotel said that they are very new at using TripAdvisor actively and that they

have had help from experts, which recommended the use of TripAdvisor. So the best ways and methods are still being forged in this hotel.

5.1.3 Reviews and customers

In the interviews I also asked the hotels of whether it can be noticed from the customers' behavior and actions if they have read the reviews about the hotel on TripAdvisor before their arrival. Only one of the seven interviewed hotel representatives said that it is hard to say if the customers have read the reviews or not. The other hotels had different experiences, both positive and negative, which clearly states that the reviews have been read by the customers, which indicates that they use TripAdvisor, or some other source where reviews of the hotels are available, in their tourism planning.

Three of the interviewed hotels mentioned that the customers have brought up the reviews in two types of situations in a positive sense. One is that they tell that they have chosen the hotel because, or at least partly because, of the good reviews. The other situation is that the customer has told the hotel at check out that they have been so satisfied that they will write a review on TripAdvisor. In the negative sense however a few hotels have experienced threats, where a customer demands something, an extra service or a new room for example, and threatens that if the demand is not fulfilled he/she will write a bad review on TripAdvisor. These have however been mostly individual cases by tourists who think that *"they know how to play the game"* as one interviewed hotel representative stated. One of the two hotels that had received threats like this said however that doing this is the best way to ensure that you will not get what you want, at least in their hotel. Some hotels also mentioned that the customers know to ask about some features, specific rooms with a specific view or some specific services, which someone has mentioned in their TripAdvisor review. So it clearly comes out that the reviews have been read by the new customers and ideas what to experience at the hotel have been obtained through the reviews.

Some hotels mention that the reviews do help and has affected in the creation of the customers' expectations in a way that they are a bit more realistic. On the downside however one hotel mentioned that if the hotel has decided to give some customer a little extra, for example surprising a couple on their anniversary with a bottle of champagne. This of course is something that they write it in their review on TripAdvisor, where they of

course mention it in a positive sense. However this may end up in a situation where other customers will be expecting that little extra too after reading the review, which of course is something that is not meant to be given to every customer. *“It makes it harder to exceed the expectations”* as the hotel representative stated. One hotel also mentioned that the negative things that customers have mentioned in their reviews are clearly also something that new customers are worried about and ask about before even experiencing the critiqued thing themselves and before forming their own opinion. Because many of the negative issues in a hotel experience are subjective, for example if one has written that the air conditioning makes too much noise, a new customer who has read about it in a review may intentionally listen for the noise of the air conditioning while a person who do not know that it may be noisy will hear it if there is something to be heard without actively listening and looking for the sound. So customers may look for the flaws that have been mentioned in the reviews even though they necessarily would not normally be disturbed by the issues. One hotel even mentioned that some customers have contacted the hotel before their arrival, because they had read the reviews and wanted to confirm if the issues mentioned on the reviews would affect them.

The hotels have also different opinions on directing customers to write a review on TripAdvisor. A few hotels have cards at the reception and/or notes on elevator walls requesting customers to review their hotel. Most of the interviewed hotels do not ask their customers to review their hotel by any signs at the hotel, but they may still have a link to their TripAdvisor listing on their website or on their emails or a diploma received from TripAdvisor on their wall, but there is no actual request of a review attached to these signs. This means that most of the hotels do bring up TripAdvisor in their operations in a promotional sense in one way or another to customers even though they do not ask for reviews. Only one hotel mentioned that they have set a goal of getting one new review per day, which is boosted with the cards and notes at the hotel. No hotel however mentioned that they would actually say to the customers for example at check out that they could go and review the hotel on TripAdvisor. The reasons why some hotels do not request customers for reviews were that either the hotel policy was such that they had decided not to ask the customer to do anything on their behalf in general or the hotel wants to get spontaneous reviews, so that the message on the reviews would not get skewed.

Some of the hotels have come across some problems with the customers' reviews. One hotel told me, that they have received clearly faulty reviews, which contained false information about the hotel and they also mentioned that they have received a false review that clearly had the intention to promote their competitor. Three hotels said that they have received clearly overemphasized reviews, either positive or negative, or that a review has contained some false information generated because of misunderstandings on the customer's side. Two of the hotels mentioned that they have had to ask TripAdvisor to delete reviews either because of faulty information or because the review has contained some personal information about a hotel employee. Three hotels mentioned that they have not received faulty reviews, but they are aware that those are a problem. However it is clear according to the interviews that the hotels in Helsinki receive faulty reviews quite rarely and actual lies are very rare. The reviews of hotels in Helsinki are seen relatively truthful at the moment according to the interviewed hotel representatives.

5.1.4 Importance as a marketing channel

All but one of the interviewed hotels said, when asked if TripAdvisor and the reviews are important as a marketing channel, that the reviews are very important. Some interviewed hotel representatives even thought that it might even have a too big an impact on consumers marketing-wise, but all these hotels also mention that it is what it is and that the hotels have to adapt to it.

One of the hotel representatives stated only however that *"it may have a positive impact"* but the importance as a marketing channel seemed not to be great for this hotel. This hotel do not have any clear measures how to incorporate the reviews to their marketing measures and on how to use the reviews, which seems to be a result of lack of knowledge about the possibilities and features of TripAdvisor. The hotel representative stated that they do not actively use TripAdvisor in any way because they have not seen the reason for it, it clearly came out that the level of knowledge about the site was not on the same level as in some other hotels, so getting more information could very likely change the hotel's views on the matter.

The hotels interviewed which have clear methods of how to deal with the consumer touch point all seem to think that TripAdvisor is an important marketing channel. Here the hotel ranking on TripAdvisor can be brought up, because also hotels that are lower on the

ranking and nearer to the end than the top of the ranking also said that the reviews have a big impact, so clearly the reviews are read by consumers also about the hotels that are not on the top of the list. One hotel even stated that *“TripAdvisor is in a special position in a sense, that it is so widely readable the responses there, that it is even a bigger part [the marketing aspect] than finding and solving the actual flaw”*. So responding to reviews is seen as the main measure that a hotel should have regarding TripAdvisor and getting the information about flaws is secondary. One hotel also stated that *“success is marketing in itself”* and on TripAdvisor this is true and this is what the essence of marketing through word of mouth is. However, only one hotel mentioned that they are also using the promotional value of TripAdvisor by actually adding promotional messages to their responses. The other hotels seemed more focused on the value of the reviews by themselves and the responses were maybe used more as a customer relationship management effort than as a promotional one.

5.2 TripAdvisor as an information source

5.2.1 Value of the reviews as information

The use and importance of the reviews as an information source for the hotels varies between the interviewed hotels. Some hotels seem to think that the value of TripAdvisor as an information source is not that great, because the same information can be obtained from elsewhere. In contrast some hotels rely very much and almost entirely on the information available on TripAdvisor and other sites, where customers can write reviews, in getting feedback from customers.

The hotels' answers regarding the value and importance of the information can be divided into three groups: those which do not give the information value, those which give it value and treat it as a feedback channel among the other channels, and those hotels which use the reviews as their main, and possibly only, information source regarding customer feedback.

Two of the interviewed hotels stated that the information on TripAdvisor does not really have much value and it is not used in service improvement means. The other hotel that stated this is the hotel that uses and follows least the reviews on TripAdvisor. The hotel representative said that the same information is gathered from other information sources like through comment cards in the hotel rooms, so there are really no surprises in the

reviews on TripAdvisor. The other hotel said that the reviews are mainly used if some specific case of an error needs to be rectified, but the reviews are not followed in a sense for service improvement. Only if someone happens to spot some issue that constantly is mentioned in the reviews, will the issue be more clearly investigated, but these issues are not something that are especially or systematically looked for in the reviews. This hotel is one that responds to most of the reviews, so they have embraced the consumer touch point side of the reviews, at least on the part of customer relationship management, but not yet fully the informational value. Although the interviewed hotel representative did say that in the future also this aspect should be more important and that the reviews will be used in the future in the service improvement aspect as well.

Two of the hotels regard the TripAdvisor reviews as one of their many feedback channels. This means that it is an equal to the other feedback channels, so it is not the main channel but it is not totally ignored either. Both of these hotels do give value to the information received from the reviews on TripAdvisor and other sites with reviews, like Booking.com, but they are not the only sources of information. These two hotels mentioned other feedback channels like comment cards in the rooms, emails, feedback forms on the hotel website and of course oral feedback received directly from the customer for example at check out. One of these two hotels mentioned however that the reviews may have even more value than the comment cards because posting a review on TripAdvisor requires a little bit more effort from the customer, because one has to register as a user. According to the hotel representative this means that the people who see the effort to write a review on TripAdvisor are often experienced travelers, whose opinions weigh more than that of a novice traveler. The comment cards are also according to the hotel often clearly filled in by a child, which means that the information does not really give any value to the hotel. Few of the interviewed hotels also note that there can be a lot of information also *between the lines* in the reviews on TripAdvisor, which adds to their value while on comment cards the questions may be more structured in a way that additional information *between the lines* is less than on freely formed text.

These two hotels, which consider TripAdvisor as one of their many feedback channels, both said that the information is basically the same on TripAdvisor and on the other feedback channels. Meaning that the things the customers' have liked or which they have

not liked are the same on TripAdvisor reviews and on the other feedback. Some small differences on the emphasis between the reviews on TripAdvisor and other feedback were mentioned though by both of these hotels. One mentioned that a lot of Russian travelers use TripAdvisor, so aspects of their culture and their likes stand out in feedback on TripAdvisor a little more than on the other feedback channels. The other hotel mentioned that on TripAdvisor the emphasis on the reviewed issues is on the physical elements of the hotel, while on the hotel's own comment cards the service is the focal point because the structured questions are focused on the service. So in general the issues are the same that customers talk about in the different feedback channels but small emphasis differences may arise.

Three of the hotels stated that they do not really collect feedback from customers in anyway themselves, so they rely highly on the external information sources like reviews on the Internet in their service improvement measures. This implies that these hotels have really embraced the possibilities of free external information on the Internet. These hotels did say that the information has a great value and they all had multiple examples on how they have changed or improved something after it has been pointed out or suggested on the reviews on TripAdvisor. One hotel actually had used the reviews as proof in order to get the hotel's noisy neighbors to tune down the music they were playing very loud, because they had gotten feedback about the noise on TripAdvisor so much.

Because these three hotels' only way to get feedback from the customers is by the spontaneous feedback given by the consumers either through the review sites like TripAdvisor or given directly to the hotel for example via email, I asked one hotel that could this type of an approach work, where the hotel do not actively ask for feedback if there would not exist any of the free and freely available external information on review sites or other Internet sites. The response was that they would still use the approach where they do not ask anything from the customers which is a strong policy in their hotel, because those who really have been disappointed in something and still want to come back for a new visit would send the feedback directly to the hotel regardless of whether the hotel asks for it or not. But the hotel representative did also say that in that case they would have to guess more often that what the customers like and what not, while now they actually know it even though they do not ask it directly from the customers.

None of these three hotels, that only use external feedback channels, request their customers to give them feedback, which means that they really are solely relying on the customers to spontaneously give them feedback to an external feedback channel or by an informal way directly to the hotel, which the hotel can then use in different service improvement measures. This approach may be less useful if a hotel do not receive spontaneous reviews often enough, then the need for requesting reviews may surface. Although it needs to be remembered that some booking channels do send the consumers a request to write a review, regardless of the hotels' own policies. One of these is Booking.com, which then partly may lessen the need for the hotel to ask for reviews themselves in order to get more feedback, unless they want to direct the customers to a specific channel like TripAdvisor.

In addition to the importance of the reviews as information, also some other companies may find the reviews valuable as an information source. In the interviews one hotel stated that a possible collaboration partner had looked up their hotel on TripAdvisor and read their reviews before deciding if they would add the hotel into their sales channel. So the reviews may also act as an information source to possible partners and of course in this sense it adds value to the marketing side of the reviews as a promotional tool for other companies.

5.2.2 Information about the competition on TripAdvisor

The information about the hotels themselves is not the only information that is used. The hotels do admit that they read the reviews about their competition, but again there are differences between the hotels on how they read the competitions' reviews and in the way they use them; although many of the interviewed hotels do not actually really use the information.

Five of the hotels mention that they read the reviews about their competition. One hotel, which does not read them, says that they do not see any value in that at the moment. This is not surprising because, this is the hotel that does not really use TripAdvisor actively in other ways either. The other hotel that does not read the competitions reviews either, also says that they do not see it beneficial at the moment, while they are so differentiated from other hotels.

The five hotels that do read the reviews about their competition have different ways in doing it and dealing with the information. Only one of the hotels mentioned that they have chosen specific competitors which reviews they follow weekly. A few other hotels also mentioned some competitors which they follow more actively than others, and the rest read the reviews of other hotels more according to their own interests than according to which hotels are their worst competitors. In these last cases the focus is more on getting a general view of the market than actual information about the specific competition and the actual value of the information may not be that high.

The hotels that actually use the information and seek it for something specific out of the competitions' reviews mentioned that they mainly look for things that the other hotels may be doing well and things that they have something to improve on. These things may be looked especially careful from those hotels, which ranking on TripAdvisor has quickly changed on either direction. So if a competitor hotel's ranking has dropped the reasons can be sought after from the reviews and with the information the hotel can make sure that they do not make the same mistakes. TripAdvisor is also a good inclination giver on new competition. If hotels climb steadily on the ranking closer to one's own hotel it may be a sign that they are doing something right and those things can be looked for in the reviews. So some hotels have really understood that the reviews and responses of the competition may contain some valuable information especially if it can be connected to changes in the hotel's ranking which may indicate success or mishaps.

5.2.3 Hotels that have received only a few new reviews in 2012

As discussed in chapter 4 there are 11 hotels in the quantitative data that have received less than twenty new reviews on TripAdvisor in the year 2012. I only managed to get one interview from hotels that are in this group (listed in table 3), so no really relevant results can be drawn from this study regarding this group. However according to the interview with the hotel representative whose hotel is in this group, the hotel does not really use the reviews but the main reason is not the lack of new reviews but the understanding that the hotel has that the reviews and the hotel ranking is in some way misleading, which I discussed earlier. The only time that the number of reviews came up in the interview was at the time, when the hotel representative gave reasons why they are not responding to the reviews at the moment. This hotel has not any measures with which they would try to get

more reviews and they at the time of the reviews had not any reasons why they would try to boost their ranking, for example by getting more reviews. The lack of new reviews seemed not to bother the hotel and one reason may be that they focus more on the reviews that are available on booking channels. They have not a need for the reviews on TripAdvisor at the moment so the issue of receiving only a few reviews a year seemed not to be a big problem.

5.3 Other results from the interviews

5.3.1 The adoption of the use of TripAdvisor by the hotels

The hotels were asked that at what time they actively started to use TripAdvisor. Five of the hotels responded that they have actively started to use it between the years 2008 and 2010. Four of these hotels have their first posted response, according to the data collected from TripAdvisor, within that time period that they gave in the interviews. One of the hotels used a few years longer in starting to respond to the reviews, which means that they just read the reviews for a few years, while the four other hotels started to respond to the reviews quicker according to their responses and the quantitative data. One of the hotels responded that they started to use TripAdvisor near from the beginning at the first half of the 21st century, but the active use has not lasted to this day while at this time they do not actively use and respond to the reviews. The last hotel is one that has just started to use TripAdvisor actively last year, in 2012, as a result of an outside expert telling them that it would be beneficial. So this hotel has only just embraced the possibilities of the reviews and according to the hotel representative they are still finding the balance between whether to direct the customers more to TripAdvisor or to their own feedback channels.

In table 2 (chapter 4) were shown the dates of hotels' first responses on TripAdvisor. 27 hotels have given at least one response to a review and first hotels to respond to the reviews have started to do so in 2010. It can clearly be seen that the year 2010 has been a changing point, while also most of the interviewed hotels acknowledged that they have started to use TripAdvisor only a year or two before that and started responding in 2010. So not that many hotels yet have years of experience in responding to reviews and while there are only 27 hotels that have responses at all, it means that 31 hotels in Helsinki have still the task ahead of posting their first response.

5.3.2 Activity elsewhere on social media

All the hotels had some actions regarding social media and the Internet also otherwise than just regarding TripAdvisor. Almost all the hotels follow the Internet in a way that if their hotel is mentioned somewhere on the Internet they will get an announcement of it. All the hotels also have some social media activity themselves. All except one hotel have sites on Facebook, although not all of them are actively updated. A few hotels are active also on other sites, such as Twitter. There are clearly differences in the actual intensity that the hotels are using the social media at, while some use Facebook and Twitter clearly as active promotional tools while others use social media more in a way, where they just monitor the discussion if their hotel is mentioned without participating themselves.

5.3.3 Changes in the industry regarding the Internet and review sites

The hotels were all in agreement that the hotel industry has changed quite dramatically in result of the Internet and social media, including review sites such as TripAdvisor. One hotel mentioned especially that the Internet has made the industry more hectic. According to the hotel representative everything happens in a shorter time-span than before, which means that it is hard to predict even a week ahead, because customers may wait for the right offer to the last moment before booking. Although the hotel representative also mentioned that the feedback is received faster too, which means that the hotel can get information about the problems quicker also from those people who do not tell the feedback to the employees directly, and the problems may be solved before they bother other customers or escalate into something worse.

Many of the interviewed hotels mentioned that the openness has increased in the industry as a result of the Internet and the review sites. One hotel representative said that the openness is great and all industries should develop into a more open direction, while it forces the companies to really invest into the service and as a result the truly good ones will succeed.

Even though the benefits of the Internet to the customers with the increased power as well to the hotel itself were obvious in all the interviewed hotel representatives' minds, many of them also stated that the reviews on the Internet make the industry also quite cruel to the hotel. One hotel pointed out that the way the questions are phrased, when consumers' opinions are asked, affects a lot on what the result will be. The hotel representative gave an

example how on some booking channels, where one may also review hotels, they use a standardized form where there might be five questions of which one is regarding the room size. A hotel with small single rooms will in these cases get lower scores compared to other hotels, and while the room size is something that is hard to change and is something that may actually not affect the experience that much it may be seen as a little unfair. This may be true on some review sites but on TripAdvisor the main review is based on free text and the items that are asked to be evaluated by a five point rating are not that specific and give leeway to the reviewer's interpretation.

One hotel mentioned the cruelty of the reviews in a way that once someone post a review it is on the Internet whether it is true or not and there is not much the hotel can do about it. Although the benefit on TripAdvisor is that the false reviews is possible to be removed, but the request need to be send to TripAdvisor, which has the power to remove reviews. Of course reviews posted somewhere else on the Internet may be close to impossible to remove. The possibilities to get some control over the reviews on TripAdvisor should hence be seen as good things, because the message can be kept as truthful as possible if the hotel monitors the reviews, and directing the consumers to a place where the message is the most truthful should be beneficial.

Even though the hotel representatives do acknowledge some challenges in the era of the Internet and the review sites, all of them generally see the change as a positive one and the challenges as things that the hotels and the industry just needs to adapt to. The most positive things in the change that the hotels mentioned were the free marketing that the hotels get from the reviews. One hotel noted however that of course the challenges are bigger if everything in the hotel is done wrong and nothing works, then the marketing message is a negative one and the changes are obviously seen more negatively. But of course part of any business should be that value is created both to the company and the customer as well, which should end up in heightened potential of positive word-of-mouth.

5.3.4 Business listing

A feature on TripAdvisor that the hotels are using in order to benefit more from the marketing power of the reviews is the business listing -feature. The business listing on TripAdvisor is an extra feature that hotels can buy, which allows them to add their own contact information into their own hotel listing on TripAdvisor (TripAdvisor 2013a). This

means that a hotel can add their phone number, email address and a direct link to their hotel websites into their listing, which normally is not allowed. This business listing came up in one of the interviews and after that I decided that I would collect the information of how many hotels in Helsinki actually have bought and uses this feature.

The benefits of the business listing, according to the interviewed hotel that brought up the subject, is that they can more easily direct the consumers to their own websites and into booking directly from the hotel rather than through the external booking channels that TripAdvisor collaborates with and offers links to. This way the hotel can save in commission fees. The external booking channels usually take a quite large commission fee of each booking, so by directing the customers to book directly from the hotel the hotel saves on these fees. Without the business listing the tourists would have to find the hotel's own websites some other way, for example through search engines, while TripAdvisor offers direct links to for example Booking.com, Expedia.com and Hotels.com, where one can book their hotel.

In table 8 is listed all the hotels in Helsinki that have taken the business listing -feature on TripAdvisor. As can be seen, only nine hotels have taken the opportunity to buy the right to add their contact information on TripAdvisor. All of these nine hotels are ones that respond to their reviews and three of them respond to most of their new reviews and the rest only to some specific reviews. So the implication is that the hotels that are also in other ways active on TripAdvisor are more likely to be part of the business listing than those that do not respond to their reviews. Also seen in table 8 is that all except one hotel have more than a 100 reviews, which indicates that not only are the hotels active on TripAdvisor but their customers also post reviews quite actively. The hotels represent however different positions on the TripAdvisor popularity index, where the ranking differs from the top to the number 35 of the sixty ranked hotels in Helsinki. So the business listing is not just something adopted by the top ranked hotels, but also by some hotels that are located more on the middle of the ranking. Interestingly though all the hotels in the business listing are presenting a quite high hotel class.

TABLE 8. Hotels in Helsinki that are in the Business listing on TripAdvisor.

	Hotel ranking	Number of reviews	Has the hotel responded to any reviews?	Hotel class	Date of first given response
Hotel 1	1	276	Yes	4 Stars	3.12.2010
Hotel 2	2	291	Yes	5 Stars	7.9.2010
Hotel 3	6	250	Yes	4 Stars	6.5.2011
Hotel 4	8	483	Yes	4 Stars	4.3.2011
Hotel 5	14	224	Yes	4 Stars	23.12.2011
Hotel 7	22	367	Yes	4 Stars	6.5.2011
Hotel 8	33	65	Yes	3½ Stars	30.12.2011
Hotel 9	35	132	Yes	3½ Stars	4.6.2012

Because the information of when the hotels have started to use the Business listing is not available it cannot be said that if the hotels have only just started to use it or if they have been a part of it for a longer time. And because the feature came up in one of the interviews I had not asked about the use from the other hotels, so I have no data of this from the interviews. The use of business listing on TripAdvisor by the hotels in Helsinki is not yet that extensive, but it could be presumed that the amount of the users will increase if/when more hotels actively start to use TripAdvisor.

6 DISCUSSION

Now that the results have been introduced I will draw them together with the wider frame of the subject and make some concluding thoughts on the matter. In this discussion part of this thesis I am first going to discuss the results of the data analysis regarding to the research questions and draw the overview of what the use of TripAdvisor through the hotels in Helsinki looks like and also draw up some possible suggestions with the help of the theory that could be implemented in the hotels to generate more value. Then I am going to discuss some validity and reliability issues related to this thesis, which needs to be acknowledged. And finally some possibilities for future research are discussed.

6.1 The use of TripAdvisor in value creation in hotels in Helsinki

6.1.1 TripAdvisor as a consumer touch point: CRM vs. promotion

Looking at the use of TripAdvisor, regarding those hotels that are located in Helsinki and have at least twenty received consumer reviews, it can be said that the hotels are on very different stages of adopting it as a tool for value creation although the attitudes towards the changes that the hotel industry has faced are very cohesive among the interviewed hotel representatives. Also the ways in which the hotels are using the reviews are multiple, even between those hotels that seem to have fully adopted or at least are trying to use the reviews on the Internet as effectively as possible to their advantage have differences between them.

Looking at the results of the analysis on the quantitative data collected from TripAdvisor, there are still 28 hotels, which is 48 percent of the hotels in Helsinki, which have received at least one review on TripAdvisor but have not posted a response to any of their reviews. Looking at those hotels with at least twenty received reviews also 48 percent have not responded, which is 22 of the 46 hotels. As found in the interviews though, these hotels may still be actively following the reviews and some may even respond to them if they will see a need for it in the future. But regardless of this it can be said that there is clearly room for improvement in the measures of the hotels in managing the consumer touch point of TripAdvisor.

The hotels that are not responding to the reviews are not using the reviews in the two possible ways of creating value in the sense of a consumer touch point, promotion and customer relationship management. The one interviewed hotel, which did not respond to reviews at all, had only to give as a reason for that, that they did not see a reason for it and that there are not that many reviews on TripAdvisor. They also stated that the ranking on TripAdvisor gives a faulty image of the offering because it is based on the number of reviews, which however as noted before is not entirely true. But as in chapter 2 it was mentioned the reviews have not only a part in the consumers' decision making process, they are a part of the experience, in a way that they are a part of the expectations that the consumer will have when he/she comes to the hotel to actually experience the product. So if the consumer touch point is in no way managed the expectations and the experience in itself may be affected through some faulty information. The reviews act as promotion whether the hotels act on it themselves or not, which was partly proved by the interviews too, where most of the hotels mentioned that there are different signs that tell that the consumers have read the reviews and used them, and all the information that the consumers had received through the reviews were not such that the hotel would necessarily have wanted to give out. So it needs to be asked from the hotel, which is not really actively monitoring the reviews on TripAdvisor, whether it is worth to ignore the reviews if there is a possibility that they affect the consumer's experience in a negative way.

In the light of the previous statements by the hotel that do not use TripAdvisor actively, I got the impression that at least in the case of that particular hotel the reasons behind not actively responding to the reviews is more or less in the lack of knowledge and in somewhat faulty assumptions of the workings of the website. It is not possible to say if the reasons are the same in the other hotels that are not using at all the right to respond, but it does reveal that there still seems to be a lack of knowledge which is resulting in ignorance towards the possibilities of the reviews regarding consumers and their decision making and even experiences. But it seems that also in the hotels that do respond to the reviews, additional information could also be beneficial because many of them had really no research data or studies that their responding tactics were based on.

Those hotels then that are responding to the reviews and in that way are managing the consumer touch point have different ways on approaching the issue. Some hotels have

clearly chosen to respond to all the reviews and some to only specific ones. Which way is better is not something that can be determined unambiguously in the light of this study, because this may have a lot to do with a hotel's image as a whole and the consumers' responses to the different methods would also need to be studied. The amount of the hotels which had adopted the more intensive responding, responding to most of the reviews, or the less intensive, responding to only selected reviews, were approximately the same with 13 hotels selecting more carefully the reviews they respond to and 11 hotels which respond to most of the reviews, according to the data from TripAdvisor. This indicates that both approaches are popular among the hotels that are responding at all.

Although the intensity of responding, whether responding to specific reviews or all the reviews, are basically both as popular but the content of the responses among the hotels with either tactic on the responding intensity however was quite similar in the end. The responses as discussed in theory can be used both as a customer relationship management measure and as a promotional tool. Only one of the interviewed hotel however mentioned that they use the reviews actively as promotional tools where they think on the consumers' review in a way that how could they possibly link a response to it that tells a bit more about the features the consumer has talked about. So they actively try to put promotional messages to some of their responses. The other hotels mainly said that they thank for the reviews or respond to some negative reviews in order to manage the past relationships that have not ended up in a fully satisfied customer. Responding to negative reviews explaining the situation and the possible ways the hotel will correct the flaws in can of course also be seen as promotion while new consumer can also read that these problems are dealt with, but none of the hotels, except the one hotel, responded to the reviews with a solely promotional message in mind but rather more looking at the CRM aspects of the responding, where the response is aimed at the reviewer.

Finding the balance between the promotional responses and responses where the reviewer is more on a hotel's respondent's mind may be difficult however. As most of the interviewed hotels said, they do not want to respond to all the reviews, because the message would lose its meaning and it would simply be too much. This is the point of view of the promotional responding. From the consumer touch point aspect it could be argued that responding to each review would give the most value because the customer who has

written a review would probably only come back to read a response by the hotel that is posted on his/her own review and if it is not made the CRM measure do not reach that customer. So finding the balance of whether the focus on TripAdvisor should be given to the new potential customers or the old ones or balanced between both is one that needs to be thought through. One suggestion could of course be that the CRM measures could be done through private messages, while the responses could mainly be used in promotional sense in rectifying misunderstandings, responding to negative reviews or responding to selected positive reviews and adding promotional messages. It is possible to send private messages to consumers on TripAdvisor, which can also be used by the hotels; then there would not be a pressure to respond to all the reviews publicly and still those hotels which think it is too much to respond to all the reviews could manage also the old customers by thanking for the reviews through a private message. So finding the balance by actually thinking on what the hotel wants to gain with the responses will potentially add value and quality to the use of TripAdvisor in the hotels. If the hotels want to use the private messages it is important though that they first explore the guidelines for private messaging that are set by TripAdvisor.

The one hotel that mentioned that they try to input some promotional messages to the responses in addition to the CRM aspect of responding, had however no responses to reviews among the newest twenty received reviews and at the time of the data collection from TripAdvisor, this hotel had given its last response time-wise a few months earlier which could be argued to be a quite a long gap in responding. This is something that the hotel can improve on, because as Lee et al. (2008) concluded in their research, consumers in general read only six to eight reviews which means that having a promotional message in for example every sixth review would maximize the possibility that as many consumers as possible potentially could see the message. Also a promotional message that is posted months earlier may in the eyes of a consumer be too old, meaning that the message may lose value as time goes by, so also in this light having a responding pattern also time-wise can be beneficial. Of course forcing a response just to give responses often enough is clearly not the purpose, the goal in responding is something that needs to be kept in mind all the time while responding.

The matter of who responds to the reviews in the hotels has also multiple methods on how they are approached by the hotels. The responsibility of reading the reviews was in most of the interviewed hotels assigned to one person who works at the hotel, except in one hotel where the respondent is not located at the hotel itself and in one other hotel where the responsibility was divided among a few people. One hotel had divided the responsibility of responding to two people who both worked at the hotel and their reasoning for that was that one employee in the hotel is so interested in social media and have such a strong service culture that the hotel decided to give him the responsibility in responding to positive reviews. The negative reviews however the hotel saw, that those reviews should always be responded to by the hotel manager. This seems quite logical, because if one has good skills in responding to reviews why not use the skills, and because negative reviews may be more sensitive and otherwise need more delicate handling a response from the manager may give more weight to the message given in the response and also the manager probably has the needed authority to handle problematic situations.

In one of the hotels the responsibility of reading the reviews from the operational point of view as a feedback of the service and of the consumer touch point aspect where the reviews are responded to was divided to two persons. The interesting issue in this hotel is that the responsibility of responding is given to a person that is not located at the hotel and in addition is responsible for responding to some other hotels' reviews too. This is interesting and as one of the other interviewed hotel representatives I have my doubts of an approach like this. The responding would probably generate more value to the hotel if the responses can be made more individual and if the content is not simply a thanks or a condolence. Getting a more individual and perhaps even a personal response would theoretically thinking be more easily created if the respondent would work daily at the hotel; see and feel the atmosphere and interact with customers at least on some level. Knowing how a certain work community or team works usually calls for being a part of that team and physically working in the same place and if someone outside this team responds to the reviews the message may on some level stay a little distant and vague. This, as one of the interviewed hotels mentioned, may be the case however in some bigger chain hotels, where strict guidelines for responding may come from the head office or the actual responding is done by someone at the chain not the hotel itself. Of course communication may be vivid between the hotel and the person responding to the reviews,

but without the actual experience or direct connection the message may lose something on the way. However I did not ask for more details about this arrangement at the interview, so I have no specifics on how this hotel manages and sees the benefits in this approach. This however is an issue that would be very interesting to be studied more closely, for example to find out on how the hotels that have an approach like this have actually managed it and more importantly are the responses affected by this in some way.

Though most of the hotels had an assigned person responding and reading the reviews, actual established methods on how the hotels respond in general were not made in all the hotels. This means that if the person who is responsible for responding would not be available to respond in a longer period of time and someone else needed to respond to the reviews no standards or guidelines would be available, which means that the responses given by different persons could differ a lot and also that a person who responds for the first time may have to figure out themselves the possible pitfalls that may lie in responding. By writing down the guidelines for the hotel in general would at least somewhat prevent the need for a person responding for the first time to start from the beginning and wasting time. By making clear guidelines for responding it would also be easier for other employees to give their opinions and suggestions on how to better respond to the reviews, that way the responsibility of coming up with these ideas is not solely on one person. One of the interviewed hotels did mention that they are still finding the best ways to respond and if the responsibility of responding would go to a new person the guidelines would probably be a good idea, so the hotels may be starting to wake up also in this matter.

Even though it is difficult and maybe even impossible to say which responding method is the best in general, the hotels should consider all the possible benefits as well as the drawbacks that each method may have and then find the one that creates the right kind of value for that particular hotel. The method may be something that is chosen in a way that it fits the hotel's general brand image and which their resources give the best possibilities to. At the moment most of the interviewed hotels were in a good start in their efforts and the one hotel that did not really use the reviews was clearly stopped mainly by lack of knowledge. Though it must be said that also this hotel do have the minimum measures regarding the reviews as a consumer touch point because they do read the reviews and if there is something too outrageous the hotel do ask for those reviews to be deleted, which

they already have done in the past. So it seems that all the hotels in Helsinki likely are at least aware of TripAdvisor and reading the reviews at least at some interval.

6.1.2 TripAdvisor as an information source

The use of the reviews as an information channel is also differentiated between the interviewed hotels and multiple different points of view can be found within the hotels in Helsinki on how to approach the available information. The information that the reviews contain can be used in the hotels to enhance visitor satisfaction through product improvement, to solve visitor problems, to find out what the visitors are saying about their experience and to analyze the strategies of the competition (Litvin et al. 2008).

According to the definition given by McGivern (2009: 4) to the word research, as systematical observation in order to find things out, it can be said that most of the hotels do not use the reviews in their full potential in research purposes, neither as market research data or customer satisfaction research. None of the hotels mentioned that the information gathering from the reviews would be in anyway systematical. However in the interviews it seemed that some hotels do have some indication that the measures regarding the information search have some systematical aspects where in some the finding of something useful was clearly based on happenstance rather than active searching. A few of the hotels mentioned that if some issue would be repeatedly mentioned in the reviews the hotel would possibly look into it but not before that unless of course it is some individual special case. This would refer that some of the hotels rely on the quantity of the reviews rather than quality, which may of course be a valid approach, but relying solely on the reader's memory on the number of times an issue is mentioned may be misleading. Getting set measures on how the feedback is followed also in a longer time period could be beneficial for the hotels, because as mentioned in chapter 3 marketing is not something that is done once it is a continuous process where also the past information from the feedback may offer clues. As the reviews grow more numerous going through all of them again and again in order to determine the progress of the hotel becomes more time consuming, so collecting the central information of the reviews in a systematic and ongoing process would give the hotels a good base for information about their past clients' experiences.

Out of the interviewed hotels the only thing out of the possible ways of using the reviews listed by Litvin et al. (2008) that all the hotels do, at least on some level, is the solving of

visitor problems. Even the hotels that mentioned that the information on the reviews is not that valuable, did however state that if there is a specific problem or a case that needs their attention they will act on it. So this is the least that the hotels are doing, which is not that much however. Because the customers' think the information found on the reviews on TripAdvisor is valuable and useful the hotels should probably think the same way too.

One of the hotels that do not use the reviews as an information source that intensively mentioned, that they are really not looking for information from any feedback source that could provide them with ideas on how to improve their product. This is an interesting thing because of course theoretically speaking, looking for ways to improve the product is one basic thing in business, but of course in practice different approaches may occur. Though getting ideas, even if those would be something that could not be at the moment executed, may be useful in the future. And because the tourism industry is changing because of the affect of ICT looking for new ideas should be something that is done especially in times of change.

The few hotels that mentioned that the reviews are one of their many feedback channels and also those which said that they use more the other channels mentioned some problems on the traditional ways of collecting customer feedback. One hotel mentioned that the comment cards are often filled in by a child and the same representative said that the value of the reviews on TripAdvisor is perceived higher because they often are experienced travelers. Another hotel representative mentioned that their comment cards have questions about features that are really not relevant in modern days, which may indicate that the cards are dated, which diminish the value of the information. Also one hotel mentioned that they would rather get feedback in writing than spoken, because they want to have something as a proof of it. The hotels that collect customer feedback through different channels all mentioned that the information is basically the same on TripAdvisor as on the other channels and in general not a lot of surprises arise from the feedback because the hotel representatives know their hotels quite well.

From the previous statements arises a question; why do the hotels collect feedback from that many channels if the information on TripAdvisor is about the same things? The reviews on TripAdvisor are there regardless of the hotels actions and with the growing popularity of the site among tourists, the amount of reviews can be expected to grow even

further. Something the hotels could think about is the necessity of all the different feedback channels that they currently are using. Three hotels that I interviewed had already embraced the approach, where they had no internal feedback channels, except of course contact information for people who want to spontaneously give feedback directly to the hotel. The hotels which used this approach seemed very happy with it and had no need for internal feedback channels, such as comment cards. Saving resources, such as time and money, is clearly possible by cutting the unnecessary active feedback collecting in the hotels.

A study by O'Connor (2010) found that the most discussed issues in reviews on TripAdvisor are the *hotel location, the room size, service and staff, cleanliness and comfort of the hotel* and the *quality of breakfast*. Also a study by Chaves et al. (2012) found that in reviews the most frequent concepts mentioned by reviewers are the *room, staff and location*. In a study of simply complaints Lee & Hu (2004) show that in complaints of a hotel experience the most used keywords are *room, staff and service*. These studies indicate that the focus also on the reviews, that are written and put together by the consumers without any actual questions that the reviewers are answering to, are about the key aspects of a hotel service. So possible worries that the information, if not asked through a structured form, could contain only irrelevant information can be diminished and relying on external information sources, like TripAdvisor, should not lessen the value of the information because the key issues most likely will be reviewed. Of course each hotel has to look into this according to their situation, but in the light of the results in this thesis the excessive channels are not necessary. And one of the interviewed hotel representatives did state that the reviews on TripAdvisor are made by people whose opinions weigh more than of those who have filled in a comment card, which should also be a point for the use of TripAdvisor.

Using only the external feedback channels could also make it easier to promote the hotel's own reviews. As one hotel mentioned they still are finding the balance on whether to direct customers more to TripAdvisor or to their own feedback channels. Focusing on the external channels would solve the problem. Of course in problem situations the hotels may be more inclined to get the feedback directly and not through a public channel. Though negative reviews are unavoidable and complaining customers that are possibly looking for

compensation will most likely direct the feedback directly to the hotel if the contact information of the hotel is somewhere to be found rather than to TripAdvisor, where the message is first and foremost directed to other consumers.

Some hotels had already measures where they asked in one way or another that their customers would go and review them on TripAdvisor. This could be something that the hotels could think about if they decide to abandon the “old feedback channels”, but it is not necessary. Most of the interviewed hotels did not request reviews, but they still promote TripAdvisor and their reviews by for example offering a link to their listing on TripAdvisor on their website and emails or by posters on the walls in the hotel. This means that the promotion of the reviews can be done without the actual asking if the hotel is against the direct encouragement. Although the direct asking for the reviews is also a possible and good way to go, those hotels who do this need to be careful though that they do not cross the line where asking for reviews turns into buying them. For example offering something in return of a review can be seen as buying, so asking may be done put nothing more.

Getting back to the ways in which the reviews can be used as information in the ways suggested by Litvin et al. (2008) it can be said that only one hotel actually uses the reviews in all these ways, which were: product improvement, solving visitor problems, finding out what the visitors are saying about their experience and analyzing the strategies of the competition. The analyzing the strategies of competition were done in this hotel by following actively the changes in the hotel rankings and finding clues in the reviews of those hotels which ranking had changed. The other hotels did read the reviews of their competition too but not really in any systematical way. The reading was based more on general interest than on looking for actual strategies that the competition may be applying. Of course not all the hotels may benefit that much of analyzing the competition intensively, but the possibility of getting value from it should be realized. The approach used by the one hotel, where the changes in the ranking are used as an indicator, is a good approach which the other hotels could also consider.

6.1.3 False reviews

The issue of false reviews is one that is a concern. On the Internet and on traditional media there have been multiple discussions on the reliability of the reviews on TripAdvisor.

According to the interviews the hotel representatives mainly think that the situation in Helsinki is still good however and that the message and image portrayed on TripAdvisor of their hotels and of the whole hotel scene in Helsinki is relatively factual. Only a few hotels have come across false reviews that have actually needed to be removed. Some of the interviewed hotel representatives do however acknowledge that in some places the problem of false reviews is a relatively big one, while it is even possible to buy good reviews to a hotel, according to an interviewed hotel representative. All of the hotel managers however do seem to think that fair game is the right way to go, which of course is supported by theory, where false expectations gotten from false reviews would most likely end up in disappointment at the time of the experience.

The relatively small market may also be an advantage in this matter, while if one hotel would suddenly receive hundreds of positive reviews, which is unlikely, the other hotels probably would have some sense of their competition that this would be spotted and investigated by them too. But at the time the hotel scene of Helsinki on TripAdvisor seems to be a relatively good and truthful one, which the hotel managers and other representatives seem to be willing to maintain and they see the value in it. The problems and possibilities are still on their minds however while some false reviews have occurred in some hotels.

The problem of consumers using the reviews to threaten the hotels is not that big either in hotels in Helsinki. Only two hotels had come across customers that tried to get what they wanted by threatening to write a bad review online. One of these hotels however mentioned that they do not respond to threats like these, which probably is the right thing to do, because even though the customers have gained power through the more open information giving too much power to them is not beneficial. The other hotels which have not come across any such threats should however also make clear guidelines how to approach situations like these, if they occur, because the likeliness of them getting more common is quite big.

6.1.4 Suggestions to the hotels

I have already made many suggestions to the hotels, but here I have summarized some general suggestions. The suggestions that I have for the hotels in Helsinki is based on the previous research and literature and on the results of my analysis.

As Litvin et al. (2008) put the matter the harvested information from the Internet can be used to product improvement, solving problems, getting feedback of visitor experiences, analyzing competitive strategies and monitoring the hotel image and reputation. Only one of the interviewed hotels mentioned that they have put at least a little effort on all of these aspects, which means that there is still room for improvement in most if not all of the hotels.

For the hotels that are still unsure of the ways that they should regard TripAdvisor in, I would first of all suggest getting proper information about the possibilities and possible negative influences that hotel reviews may have on the Internet. With the right kind of information which at least in part I hope can be found also in this study the hotels can start to think on how to get the best value from the reviews. The fact is that the reviews are available on the Internet whether the hotels want them to be or not, so using them to create value and to diminish negative effects should be something that the hotels are interested in.

All except one out of the seven interviewed hotels had some measures, which were clearly some that the hotels had thought that would benefit them regarding the reviews on TripAdvisor. To the hotel that really does not use the reviews at the moment a suggestion would be to gather some information regarding TripAdvisor and really think on what the possibilities could be. After the information is obtained and all the possibilities understood, the measures that fit their hotel can be chosen, if there is a need for them. It may well be that a hotel gets the desired value by not using or putting too much effort on actions on TripAdvisor. However decisions made based on lacking information ends up in actions that lack reasoning.

The hotels that are responding to the reviews had naturally done some reasoning on how to approach the responding and multiple types of approaches were to be found. Some of these hotels according to the interviews had thought more or less about the idea in the responding. They respond to the issues that the reviews may have brought up as a CRM measure, but some actual promotion efforts have clearly not been thought of as much. So the hotels could think carefully about what the responses are for, are they mainly for the reviewer or the potential new customers or both, which means that also a balance in the messages in the responses need to be found.

The biggest suggestions however regard the use of the reviews as an information source. A few hotels had embraced this issue well but some hotels had not at all or only very minimally. The hotels could in the light of this study think about the possibilities of the information on TripAdvisor in contrast to the information from their other feedback channels. If the information is basically the same in all of the channels, is there a need to keep all the channels?

However as Bowie and Buttle (2011: 360-362) mentioned, the ways that the hotels monitor the level of their customers' satisfaction is not done by any standard approach, also the measures regarding TripAdvisor need to be put in the context of each hotel. So these suggestions are such that are meant for the hotels to think about and consider and possibly mold in a way that would fit their business efforts in a correct way. The measures have to fit the hotel's concept, but the hotels need also be aware that not having any measures may also be harmful because the Internet and the consumer reviews posted online *live* a life of their own regardless of the opinions of the hotels.

The hotels also need to be aware that the use of the Internet is still growing and new possible services are rising online every day, so being active also online is nowadays one key aspect of a hotel's marketing measures. This does not mean that the hotel has to have a lot of their own visible action online, but at least monitoring should be done, which the interviewed hotels seemed to have in control already at the moment and also the hotels which may not be that active otherwise on TripAdvisor did take actions if something too outrageous surfaced.

The data also shows that the adoption process in the use of TripAdvisor is still in progress through the dates of hotels' first responses. The hotels have only started to respond to the reviews in 2010 and every year since that the adoption has progressed steadily. From the data no unambiguous assumptions can be made about the strategies of the hotels that were not included in the interviews, but it can be thought, based on the data that the adoption process is probably still going on in general in Helsinki. It is also presumable that some extra information also in those hotels which do not yet respond could benefit their adoption process or at least speed it up. It is assumable that the best ways of doing things regarding TripAdvisor will be found in the industry at some point, but by obtaining the right

information from the start could bring some hotels to the optimized situation faster and hence gain some advantage against the competition.

6.2 Reliability and validity

As I already discussed in chapter 4 regarding the data this study is highly limited to the research at hand. The interviews only give information about the specific hotels and no actual and unambiguous presumption can be made based on this information about the other hotels' measures on TripAdvisor. Not much can be said according to the quantitative data either, because it only gives a direct answer to the question that are the hotels responding to the reviews or not and how often and on how many reviews they are responding to. Of course based on the interviews and the quantitative data some assumptions could be made, but those assumption lack reliability which needs to be acknowledged.

What the results do tell, is that in the Helsinki region alone the adoption stage and the methods of using TripAdvisor in the hotels' value creation processes is at very different stages and different approaches are presented. So regarding the aim of this study the data and results are reliable and valid, while if not all but at least most of the ways that the reviews may be used and are used in Helsinki came out in the interviews. This however, does not tell if the situation is the same on other regions and places, for example in other cities in Finland or abroad. I was not able to find any similar studies that had been conducted to hotels in some other region, so the results cannot be compared with any other results. The comparison could have been interesting if somewhere else the adoption is clearly still on a much earlier stage or on a later stage, while in the hotels of Helsinki the adoption is at the moment very much still going on.

This study I find to be a relevant and valid study regarding that the research questions do get answered even though the sample size in the interviews was fairly small. Despite this I find that at least most if not all the possible ways of dealing with the reviews did come up and as did the scale that actually how differently hotels in one city can regard the reviews on TripAdvisor. Although an interview from another hotel that do not use TripAdvisor at all or very minimally could have brought more value to the study, because it could have

been determined more reliably if the reasons for not using TripAdvisor are similar in different hotels or not.

Also interviewing some hotel chains, not just the hotels that are part of a chain, could have brought some more value to the study. Especially in the hotels where the responses to the reviews are written by a person working at the chain not the hotel, could have brought also the attitudes and methods that these people have regarding the reviews, which may be different from the people that actually work at the hotel. This I did not execute because I found that the benefits for this study were not that relevant and important that I would have wanted to prolong the process of finishing the thesis.

So even though the data are restricted in its informational value the research questions have been answered quite reliably and the study is valid, with its respective results. I want to mention that even though I collected also quantitative data from TripAdvisor, which included also the minimum and maximum prices of a hotel room and the hotel classes, I did not compare the results from the interviews with these hotel attributes or actually any other attributes such as the hotels' main target group, because from that no relevant results and conclusions could have been made that would have been relevant according to the research questions.

6.3 Future research

The study and its aim have from the beginning been to give an overview of the adoption of the information on the reviews on TripAdvisor and the managing of the consumer touch point. So it has never in the course of this study been the purpose to get extensive and all-encompassing image of all the hotels' attitudes and ways of dealing with the issue. This study however does lay a very good basis for future research, because it gives an idea on where the hotels are regarding the adoption of TripAdvisor and how they are regarding it. This basis for future research were one of my original aims for this study, in a way that when it is known what the situation is at present it can be researched where it may be heading or maybe the reasons why the situation is what it is can be discovered.

Researching the factors that may have affected the use of the reviews by the hotels and possible influence of some hotel characteristics would be one possible research topic.

Studying whether the hotel class, location of the hotel, the hotel ownership or other elements of the hotels affect the ranking or the way in which the reviews are most valuable for the hotels to be used could be interesting research topics. Also now that it is known that the hotels have different ways on responding to the reviews the responses themselves could be studied in order to find out how the differences are portrayed in them. The hotels' reviews and responses could be analyzed for example by content analysis, in order that it could actually be researched what the hotels write into the responses; do they plainly thank for the reviews or are there clearly some promotional tones in them and how problems have been responded to in the responses. The responses are interesting, because no discussion can be had between the reviewer and the hotel on TripAdvisor, when a hotel posts their response it cannot be changed or deleted, so the content cannot be edited and changed later and the reviewer cannot give a response to the response given by the hotel. A study like this could benefit the hotels by giving them information about what actually is in the reviews and responses, which then can be compared to the hotels ranking which could give inclinations to which contents are most favorable and which not. O'Connor (2010) did study the content of the reviews themselves, what issues were brought up the most and what seemed to be key issues in tourists' minds, but finding out contents of the responses has not been research. Also differences between places could be interesting to study, for example by looking whether cultural aspects or other aspects related to a specific place can be identified in the responses given by hotels in different places.

There is also a lot of possibilities to widen the study into taking account also hotels own websites. Hotels may have also a possibility for customers to review their hotel on their own websites. Some hotels have also started collaboration with TripAdvisor in a way, where the reviews that are on TripAdvisor are simultaneously posted on their own websites. For example Scandic hotels is one chain that has just started collaboration in January 2013 with TripAdvisor, where the customers may read and post reviews through the Scandic hotels' own websites (Scandic 2013). Researching the benefits of this would be very interesting.

The use of social media, including the use of the consumer reviews online, is clearly a growing trend in the tourism and hotel industry. As were concluded in this study the adoption period is most likely still going on, while hotels are still learning and finding out

all the possibilities to create value for the hotel through social media. So there are a lot of possible research possibilities in this regard. For example studying the innovative ways how hotels use social media in their marketing and how effective those measures are, is one possible research topic. Litvin et al. (2008) suggested that hospitality companies could use popular bloggers, invite them to test the product, in a way that has been long provided to travel agents, journalists and writers. This is something that a hotel in Helsinki seems to have found the courage to try in a way. Hotel Finn, which is a youthful small hotel located in the centre of Helsinki and which offer reasonably priced accommodation, announced that they are looking for a “*professional sleeper*”, whose job is to stay at the hotel for 35 nights and write a blog about the experience (Hotel Finn 2013). This is an interesting approach, where the blogger is actually staying in the hotel for a reasonably long time and writing about the experience. These kinds of marketing measures may get more common in the future if also other hotels start to see value in them. At the time the interviewed hotels were mainly active on Facebook or Twitter regarding social media in a marketing sense.

So as probably can be seen, tourism, Internet and business combined produce huge possibilities for research and the research topics I suggested are mostly such that would benefit the hotels in their business efforts by adding knowledge about the market. It is likely that while the technology still develops and for example the mobile devices are becoming more and more popular, new services and technology based tourism products will also be created more, which may also be used in different ways by the hotels themselves. This of course generated more need for research and interesting topics also academically.

7 CONCLUSIONS

As concluding thoughts of this study it can be said that it is clear that the adoption period amongst the hotels in Helsinki in adopting the benefits of the reviews on TripAdvisor is still going on. Some hotels have put more effort and thought behind their actual actions and some are still acting on a more limited base of understanding but still doing something, while there are clearly still hotels that are unsure on whether it really is necessary to act on this matter at all.

The aspect that the hotels have adopted the best is the responding to the reviews in a customer relationship manner, which probably is the easiest way to begin with. After learning more about the features of TripAdvisor the promotional aspects and the use of the information are the next steps. Not understanding the actual benefits of adapting all these measures are clearly the main thing hindering the adoption in the hotels, because the hotels have clearly not spent enough time to think instead of just acting.

The world in tourism business is opening up and the actions of the businesses are getting more and more transparent, because hiding behind a curtain concealing problems does not simply work anymore while the consumers have so much power in the information distribution. The hotels in Helsinki have acknowledged the change and understood that this is the way that the industry is going and there is nothing they can do about it but to adapt. All of the interviewed hotels do in the end say that the change is a good thing, even though it brings new challenges with it. So the time of change is here and the reviews on the Internet are not the only issues that the hotels need to adapt to.

The subject of eTourism, eWOM and how the tourism industry could benefit from the change that has happened since the opening of the Internet for the public is a vast field where topics for research are numerous. A lot of research regarding these issues has been done, but not all of these studies are such that directly benefit the tourism businesses. The businesses need in the time of change to be active also themselves, because changing how they do their business should also be based on some level in knowledge of the past, the current situation and hopefully also some inclination about the future. Seeking information is a key factor in a changing industry.

I first started to conduct this study solely based on the idea that with a good descriptive research, which would give an inclination about the current situation, it could be used as a basis on a more specific research topic. However, as conducting this thesis, which was a learning process, I quickly found that this study need not only be a research that tells the situation, it can actually have some beneficial information for the hotels. While I conducted the interviews it came clear that this is really a time when the hotels are starting to think what they actually are doing regarding TripAdvisor and a few hotels mentioned that they wanted to take part in this research because the topic is very timely for them. I wanted to embrace the fact that this study could actually benefit the hotels that have taken part into it by offering them the theoretical knowledge on how the reviews could be used according to the literature and also provide them with some suggestions on what they could focus on in the future.

All of the interviewed hotels can pick some suggestions from this study that they can think about. Because this study was a general view of the hotel industry in Helsinki more specific suggestions to different hotels cannot be given, but each hotel can of course choose and modify the suggestions that they find most suitable for themselves. The study could also have been conducted to one hotel, where all the different elements of that hotel could have also been taken into account and based on those made an extensive list of suggestions on how they should regard and use the reviews on TripAdvisor. That approach however would not have served the initial purpose, which was that this study would also offer a general view of what the situation is in what ways the hotels are using the reviews at. A market research made for one company is often also a research that is not usually publicly published, so a general study is a more suitable approach in a master's thesis.

Even though I am happy with the result of this thesis there are issues that caused some problems and also issues that I might have done differently if I would have a chance to do this research again. One of the biggest problems was that because I did not want to reveal the identity of the interviewed hotels I had to carefully write out the results in a way that the answers could not directly be linked to a certain hotel in the quantitative data that was collected. This is why no specific data is given of the interviewed hotels. The lack of combining information between the interview data and the quantitative data did however not affect the results, because the aim was not to focus on specific hotels or hotels that

have specific characteristics, the problem lay in the writing process, which in the end I find that I managed quite well. The things that I would do differently if I would do the research again would be amongst other related to the quantitative data collection, where I started the process a few times over, because I thought many times while collecting the data that some additional information could also be collected. I also collected a lot of information that I in the end did not need and use. So I had not thought carefully enough what data I would need and what not. Also the interview questions could have included some more specifying questions, which of course at the moment of the interviews I did not think to ask.

With the problems and the successes related to this study, it manages to give answers to the research questions with the conclusion that the hotels are still adapting to the use of TripAdvisor and are on different stages of the adoption process and use the reviews in different ways. Hopefully this study has some benefits by giving some general basis for future study or by giving the hotels some ideas on how to get more value out of the reviews on TripAdvisor.

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APPENDIX

Appendix 1. Example of one framework of questions in the interviews.

Taustakysymykset

Kuinka monta työntekijää hotellissa on?

Kuinka paljon huoneita hotellissa on?

Mikä on hotellin pääasiallinen kohderyhmä?

Arvostelujen lukeminen, niihin vastaaminen ja kosketuspinnan hallinta

Oletteko kirjautuneet TripAdvisor palveluun?

Kuinka aktiivisesti seuraatte teille annettuja arvosteluja TripAdvisorissa?

Kuinka pitkään olette aktiivisesti käyttäneet TripAdvisoria?

Kuka/ketkä teillä lukevat arvosteluja ja kuka niihin vastaa?

Kehotetaanko muita työntekijöitä lukemaan tai lukevatko he arvosteluja? Tai tuodaanko arvostelujen sisältö muulla tavalla esille kaikille työntekijöille?

Onko teillä laadittu yleistä toimintamallia, miten kommentteja seurataan ja miten niihin vastataan?

Kuinka tarkasti selvitätte mahdollisesti arvosteluissa ilmeneviä yksittäisiä ongelmia?

Seuraatteko yleensä hotellista liikkuvaa tietoa muualla Internetissä ja sosiaalisessa mediassa?

Viekö seuraaminen paljon aikaa/resursseja?

Millaisen aseman näette TripAdvisorilla ja kuluttaja-arvosteluilla olevan hotellinne markkinoinnissa?

Onko teille tullut vastaan virheellisiä tai valheellisia arvosteluja?

Kehotatteko asiakkaita antamaan hotellillenne arvosteluja TripAdvisoriin (tai jonnekin muualle)?

Tuovatko asiakkaat koskaan esille TripAdvisoria ollessaan hotellissanne?

TripAdvisor tiedonlähteenä

Millaisena näette arvostelut tiedonlähteenä, onko niillä arvoa?

Millä mahdollisesti muilla tavoilla keräätte asiakkaidenne kokemuksista tietoa?

Antavatko TripAdvisorin arvostelut samanlaista tietoa kuin muut palautteenkeruujärjestelmänne vai onko saatavassa aineistossa eroja?

Onko teillä konkreettisia esimerkkejä, miten asiakkaan kommentti TripAdvisorissa on muuttanut tai vaikuttanut toimintaanne?

Seuraatteko ja koetteko hyödylliseksi seurata TripAdvisorin kautta kilpailijoidenne kommentteja?

Onko hotellitoimiala mielestänne muuttunut Internetin, sosiaalisen median ja TripAdvisorin kaltaisten palveluiden voimasta?

Ovatko TripAdvisorin kaltaiset palvelut enemmän haitta vai mahdollisuus hotellin näkökulmasta?